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HISTORICAL BACKGROUND of the World Today

A Synopsis

EDITED BY
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PREFACE

This book is a synopsis of the introductory course in history at Duke University.

The profound changes which have shaken our society in this generation seemed to the staff at Duke to demand a fresh point of view in teaching "The Historical Background of the World Today." A new orientation has become especially necessary for students in the United States. Furthermore, it is particularly the last three or four decades that challenge the interest and the intelligence of the student. To treat of this period properly, or to draw its background in due perspective, it is not enough to add a few chapters to the orthodox textbook in European (or American) history.

Accordingly, we have re-examined both subject matter and emphasis from the vantage point of the topics or themes we thought most important in the present world. A survey course for one year cannot touch on everything. The themes we have chosen are

The rise of the national states and the conflict between liberty and authority within them;

The problems of peace and war among these states;

The economic practices and theories of modern times, especially the changing face of capitalism and the challenges to it;

And the faiths men live and die by, not by any means confined to faiths ordinarily called religious.

Underlying the treatment of these four themes is the pregnant premise of

The expansion of Europe, whose institutions, technologies, and faiths have been exported to all corners of the globe, where they have awakened mutual reactions.

The following, who teach in the two undergraduate liberal arts colleges of Duke University (Trinity College and the coordinate Woman's College), have written the synopsis: Frances Acomb, John S. Curtiss, Arthur B. Ferguson, William B. Hamilton, W. T. Laprade, Alan K. Manchester, Ernest W. Nelson, Harold T. Parker, Dorothy M. Quynn, Theodore Ropp, and Richard L. Watson. It represents a meeting of minds through a year and a half of vigorous discussion and criticism.

Since some of the topics sketched for one class hour obviously cannot be covered in that length of time without an unnecessary shock to the academic psyche of the teacher whose favorite topic is being thus outraged, we have left unscheduled ten or twelve hours in each of the

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Part I: Modern Times to 1871

I

MEDIEVAL SOCIETY

European society of the eleventh century, the modern student may feel, belongs to another world. That of the sixteenth, on the other hand, he begins to recognize. If he wishes to understand this recognizably modern civilization of Europe and the world civilization which stems from it, he should first learn something of the life and thought of medieval Europe, and something also of those dynamic forces which so radically altered the medieval social pattern.

The collapse of the Roman Empire during the fifth century A. D. left Europe in confusion. With the political authority of the emperor and that system of order we call the Pax Romana went the sophisticated culture of the Roman towns, and in most instances beyond Italy the towns themselves, together with the commerce on which they had depended for their existence. Out of this confusion there arose a new European culture, more primitive and decentralized than that of the Roman Empire, yet considerably more settled and cultivated than that of the barbarians who had invaded the Roman territory. By the eleventh and twelfth centuries, medieval society was being stabilized, and we are able to distinguish its outlines with some degree of clarity.

First of all, medieval Europe was a small region surrounded by enemies. In the early eleventh century, it included only a strip of territory in northern Spain, its southern boundary running irregularly from the mouth of the Duero River to Barcelona; the Italian peninsula but not Sardinia or Sicily, which were controlled by the Moslems; Germany to a line running roughly from the mouth of the Oder River to the northern tip of the Adriatic Sea; Denmark; Scandinavia; France; and the British Isles. This region was bordered by hostile peoples: to the south, by the Moslems, who controlled Spain, the western Mediterranean, and North Africa, and whose pirates ravaged Christian commerce; to the southeast, by the Balkan Slavs, only now in the process of being converted to Christianity; to the east of Vienna, by the Mongolian-blooded Magyars, masters of the Hungarian plain; and to the northeast, across the Oder, by the eastern Slavs.

Moreover, except in Italy, where vestiges of towns still survived, life in Western medieval Europe remained largely rural and agricultural, and most people lived in isolated, self-sufficient village clearings amid the great forests. The area operated at a low technical level. The plow was simply a curved stick, occasionally tipped with iron; the harrow,

a thorn branch, weighted with a log; the village houses, crude, one-roomed thatched huts with a dirt floor and a hole in the roof for the chimney; the roads, tracks through forests; bridges were often non-existent, the river crossings being made by the nearest available ford. With levels of production low and trade largely absent, the region lived on a bare margin of subsistence, the crops of one year in the village having to carry the inhabitants over the winter to the next harvest.

Throughout this rural area, where land was the important form of wealth, there were but two important economic classes—the nobles who owned the land and the servile peasants who worked it. In addition there was the clergy. In the absence of any strong centralized authority (there were kings, but they possessed little power, and the rulers of the Holy Roman Empire inherited only the trappings of the ancient Roman imperium), the local village communities of peasant-serfs looked for government to the local noble who protected the land he owned, ruled its people, and waged intermittent warfare with neighboring nobles, all of whom belonged to the same ruling military class. Accordingly we may also characterize this society as military. The holding of land and the duty of military service were becoming crystallized into a complex custom known as feudalism.

The one civilizing and unifying influence in this agrarian, military, and scattered society was that of the Roman Church, in whose tradition something at least of the earlier Roman culture was preserved. Its clergy, who did the thinking for the rest of the community (a little thinking went a long way in those days), worked out and taught the system of ideas and values according to which medieval men lived—or rather felt that they should live, for medieval social doctrine was often honored more in the breach than in the observance. In religion the Church taught that salvation in the future life was the chief end of life in this world and that the keys to salvation lay in the custody of the pope and of his clergy. The political ideal to which the Church gave its blessing was that of world unity under the parallel and complementary jurisdiction of pope and emperor, an ideal that in a sense counteracted the extreme parochialism of medieval life. Society was conceived of as a hierarchy of classes or groups rather than an aggregation of individuals. To each of the members of this body politic, God in his eternal wisdom had assigned a particular function or duty. Thus for the individual to seek to alter this social order, or even to improve his own position in it, would be to defy God's will. Hence the economic values taught by the Church were shaped to a large extent to curb the acquisitive tendencies never far removed from human nature, and especially noticeable when the revival of trade during the eleventh cen-

tury began to replace the natural or barter economy of the earlier Middle Ages with a money economy.

As might be expected, the Church enjoyed a monopoly of education. Its schools and universities emphasized theology and metaphysics and became skillful in the use of a deductive logic operating on the basis of accepted authority. Scientific study of nature was by no means ignored, but it took second place. It too was based largely on the authority of ancient books, and independent investigation of the natural world tended to be discouraged as either unnecessary or impious or both. Generally speaking, although medieval society was in fact constantly if very gradually changing, the medieval churchman preferred to think of it as static, and his resistance to change came, with some exceptions, to be accepted by the layman. It must be remembered, however, that initiative and the desire for change were discouraged not by precept alone but also by the restricted horizons of medieval life, its isolation, and its lack of leisure and wealth.

By the twelfth and thirteenth centuries, medieval society was reaching maturity. Yet even at the same time there were appearing forces which, as they gathered momentum, were destined to break the medieval pattern. The next four topics will deal with the most important of these dynamic forces which combined to shape our modern Western civilization.

II

THE RISE OF TOWNS, A MIDDLE CLASS, AND A MONEY ECONOMY

Probably the most fundamental among these dynamic forces was the rapid rise of a class of men who made their living in ways other than farming, fighting, or praying—in short, who failed to fit into the pattern of feudal society. These men were engaged in buying and selling commodities and fashioning articles for sale. Their appearance can be largely explained by the revival of the Mediterranean trade, and that in turn by the expansion of limited, backward, Western Christendom south to the Mediterranean. In this southern expansion in the eleventh century against the Moslems, the tiny Spanish Christian kingdoms along the southern slopes of the Pyrenees began to creep downward; the Italian city states seized Sardinia, the Christian Normans retook Sicily, the Crusaders conquered Palestine; the Mediterranean was

cleared of Moslem pirates and trade revived between rural, backward, isolated Western Christendom and the rich, flourishing commercial and industrial civilization of the Near East. In this expansion south and southeast, the Europeans came into contact with two peoples—the Moslems and the Byzantine Greeks. As might be expected from a warrior civilization, the Europeans could hold their own in military prowess. But in every other respect, the relationship of the crude, ignorant Europeans (who were one day to dominate the world) to the Moslems and Byzantine Greeks was that of a poor, illiterate, backwoods pupil to a well-to-do, cultivated, and subtle teacher. From the Moslems and Greeks the Europeans learned new techniques, as in the weaving of silk and velvet, and the use and manufacture of paper; they absorbed new knowledge in science, mathematics, and medicine, as in the use of the zero; and they recovered some of the knowledge and philosophy of ancient Rome and Greece that had been lost. These contacts with both contemporary and vanished civilizations furnished an immense stimulus for European culture.

The expansion south was important also because it reopened the Mediterranean trade to isolated, Western Christendom and placed Western Europe once more in contact with the luxury trade of the East. Now, enterprising Italian merchants from the port towns of Venice, Genoa, and Pisa sailed their galleys to the Levantine ports of Alexandria, Jaffa, Acre, and Constantinople; picked up the silks, the jewels, the gold chains, and above all the dyes and spices there obtainable; returned to Italy and peddled the luxury articles by horseback over the Alpine passes to the villages and castles of France and Germany; brought back to Italy such raw products, native to the north, as flax, hides, wool, lumber, and furs, which, refined into finished products by Italian industrial skill, would then make up the cargo for the galleys to take to the East. These little merchants, now forgotten, with their minds set on profit, were beginning to weave the fabric of trade that was to become world-wide.

Along the routes of trade in Italy and northern Europe, there grew up towns inhabited by this class that was new to medieval society; namely, merchants who were engaged in the buying and selling of commodities and craftsmen who produced goods for sale. Although the towns north of the Alps were in contact with the eastern trade through itinerant peddlers, nevertheless the craftsmen (such as the shoemakers, the hatters, and the goldsmiths) of the town itself usually produced for the local market (the townspeople and the surrounding populace), which tended to be limited and static. After all, before the days of advertising, only so many shoes could be worn and worn out, and

only so much clothing was needed. So the craftsmen of a town in a given industry would organize themselves into a guild to assure to themselves the monopoly of this stable, static, fixed local market. They would pass regulations limiting the number of apprentices who could enter the craft, fixing the period of training, setting wages, hours, and prices, and establishing the quality of the product—all to prevent competition from undermining the security of the master craftsmen. The medieval theologians developed an economic theory which was also adapted to a local market and local regulation—the theory that a craftsman should produce an article of known merit and honest quality and charge for it a just price.

In North-European towns, with exceptions, the limitations of the local market, the impossibility of a great profit, and the desire for security had thus made the small individual shopkeeper or craftsman who worked with a few helpers the typical figure. But in the Italian towns, the problems and opportunities of a booming eastern trade—the problem of assembling enough capital to equip an expedition to the Levant, the opportunities for exorbitant profit—led individuals to associate themselves and their capital in various forms of partnership. These partnerships engaged in enterprises on a large scale—in commerce, in industry (the partners might employ many craftsmen virtually as wage-earners to work up products for the eastern trade), and in banking. As the word "banking" implies, money economy, both in Italy and northern Europe, was replacing the largely natural or barter economy of the feudal community. The people of the towns were becoming increasingly accustomed to the use of money as the medium of exchange, and as a form of wealth more fluid than land.

The revival of trade, the rise of the middle class, and the rise of towns operated to dissolve other aspects of medieval society. Since the middle class of the towns lived and made their living in new ways, and since they had little stake in an agrarian and military society, they began to think in new ways, not all of which were compatible with traditional medieval values. Many persons, for example, considered it both right and desirable, as an end in itself, to devote themselves individually to the business of getting on in the world. Moreover, the towns alone offered the wealth, the leisure, and the intellectual stimulus necessary for the discovery and development of new techniques and new ideas. As a consequence, there began to appear new ideas and ideals in ways of life, in politics, in religion, in education, and in the arts and letters. Again, it may be noted, the increasing use of money gradually dissolved many of the ties that held feudal society together: the relationship of serf to lord altered radically as the manorial dues

became commuted to money payments; the relation of feudal vassal to feudal king changed equally radically as the king made common cause with the rising money power of the towns.

III

THE RISE OF NATIONAL MONARCHIES

In the eleventh century, the kings were weak and virtually powerless. Real political authority—coinage, tolls, and justice—was exercised by the great feudal vassals, the dukes, the earls, the counts, and so forth. National consciousness did not exist. Loyalty was expressed either in a very practical attachment to the local feudal magnate or in a vague veneration for the ideal of a world empire. Gradually, over the course of centuries, the kings of England, France, Portugal, and Spain began to develop their power and to extend and strengthen their control. They began to send out administrators who applied the king's law. On the continent they disinterred and applied with modification the Roman law whose basic principle was that the king's will was law. They began to collect revenue in money by a *royal* tax to support a *royal* army and the *royal* administration. In all this the kings were aided by members of the middle class who had the same interest as the monarchs: namely, the elimination of feudal anarchy. The townsmen wanted relief from the private warfare in which the feudal nobility was chronically engaged. For reasons of good business they wanted peace over a large area and security for life and property. They furnished the kings with money and administrators and lawyers. Gradually, as the king's administration and peace began to touch the people over a large area, loyalty to the monarch replaced loyalty to the feudal magnate. Even more gradually, by an even more complex process, the people of an area, say of France, began to realize that they had the same king in common, that they had a history and interests of defense in common, and they began to form a society which we can think of as one, and which was beginning to think of itself as one. Around that society as a unit men's emotions crystallized, they took pride in it, and we have what is called national feeling and a nation. In other words, from the eleventh to the sixteenth centuries, the peoples of England, France, and Portugal, and to a later and lesser degree of Spain, gradually grew together around the nucleus of a royal administration to form a living whole which could not be forcibly divided and from which a section could not be sliced without cutting to the quick the feelings of the people. Italy and Germany, however, each remained divided into a

number of small states. There, the consolidation of royal authority did not occur, and the process of a coalescence of a people was not completed, although Germans and Italians were becoming more and more aware of their common cultural heritage.

In the last decades of the fifteenth century, the kings, now partially freed from the presence of feudal revolt and having at their disposal a royal army, entered into competition with each other for territory and power in Europe and started that dance of death which historians call the rivalries among the great powers. The national monarchies thus laid the foundations of our modern state system by replacing both the idea of a shadowy world unity and the actuality of feudal decentralization with a Europe of powerful and competing sovereign states.

IV

THE REFORMATION AND COUNTER REFORMATION

The "Universal Church" had kept alive the ideal of the unity of Christendom long after it had been broken politically. But, partly for that reason, the Church itself was incompatible with the new national monarchies. The pope not only took charge of the spiritual welfare of all Christians in Western Europe, but also maintained a huge and highly centralized administration, the fiscal and juridical branches of which competed with those of the national monarchs. Moreover, the Church was a large landowner in all Christian countries, and so it entered directly and significantly into the political and economic life of Europe. Despite a variety of agreements between the more powerful monarchs and the pope, which to some extent curtailed the latter's temporal power, the Church remained at the beginning of the sixteenth century a highly organized and wealthy international institution.

It was, however, in its spiritual authority that the Church was challenged most effectively. Its prestige had always stemmed primarily from its spiritual mission; its power over the individual depended on his willingness to accept the Catholic doctrine that the sacraments, as administered by the clergy, were essential to his salvation. This doctrine had been questioned by heretical leaders in the fourteenth and fifteenth centuries, but it was not until the early sixteenth century that other factors necessary for effective revolt were present: strong leadership, political support, scholarship of a new and high order, a relatively large and very discontented lay public, and the medium of the printed page through which that public might be reached. Popular discontent became most acute among the middle class who found the doctrine and

social teachings of the Church out of touch with the needs of an urban and commercial society, and who saw in the Church's fiscal exactions a financial burden not always justified by spiritual services rendered.

By making salvation a matter either of faith or of the inscrutable will of God, the reformers removed the clergy from their traditional position as sole mediators between God and man. By allowing each man to make his own approach to the sources of Christian faith as revealed in the Scriptures, and to interpret them for himself, they made it possible for Protestantism to develop in many different forms, a characteristic which has been a source both of strength and of weakness to that branch of Christianity.

The relationship between Church and state as established in the Protestant countries had a profound influence on the political development of modern Europe and of the United States. The Lutheran and Anglican churches became docile and at the same time influential instruments of princely power. The Puritan groups, with their Calvinistic tradition, became a fruitful source of democratic inspiration.

In answer to the Protestant challenge the Catholic Church organized a counterattack, often called the Catholic Reformation. Although efforts had been made prior to 1520 to reform and reinvigorate Catholicism, it was not until about 1540 that the Catholic Church began systematically to strengthen its doctrine, improve its discipline and organization, and renew its missionary zeal. By 1563 much of this work had been accomplished, and the Church was able to take the counteroffensive against Protestantism, to check its spread, and even to rewin some areas for Rome. Nor was the resulting conflict one of spiritual force alone. For almost a century Europe was torn by bloody religious wars in which fanaticism and power politics became inextricably tangled.

V

SECULARISM, HUMANISM, AND THE GROWING COMMAND OVER NATURE

Although the Reformation temporarily, for a century and a half, represented a renewed interest in religion and the other world, we can discern in the history of Western Europe since the twelfth century a gradual secularization of thought and life, a gradual shifting of emphasis from the ecclesiasticism and the other-worldly assumptions of medieval society. Men had no doubt always been preoccupied with the things of this world, but during the Middle Ages they had generally deprecated

that tendency as a weakness, if not a vice. At the end of the Middle Ages and the beginning of modern times they began to take a more realistic view of their earthly existence and a frank interest in the circumstances attending it. Life in the towns, under the driving spirit of mercantile enterprise, grew more frankly ambitious, worldly, and mercenary. With the modern state system came a realistic political ideal, an ethic clearly discernible in the writings of Machiavelli. Even Protestantism, though primarily a religious movement, proved more sensitive than the medieval Church to the needs of an educated laity and a business community. It not only gave the individualistic layman the right to interpret the Bible individually, it also removed much of the stigma attached by medieval church doctrine to activity in this world, economic enterprise in particular.

To a society already becoming more secular, the Italian scholars, artists, and men of letters during the fourteenth and fifteenth centuries presented the stimulating example of an ancient and worldly culture. The monuments and ideals of ancient Greece and Rome, thus restudied, opened up a new intellectual world, and one built solidly around man himself. The influence of the Italian Renaissance spread to Northern Europe during the late fifteenth and sixteenth centuries and, though it lost much of its pagan character in the process, it carried with it a message the people of Northern Europe were ready to receive.

Curiosity concerning the physical world had been discouraged in the clerically dominated culture of the Middle Ages. That is not to say that it did not exist; and some notable efforts were made by members of the clergy to probe the secrets of the universe. Generally speaking, however, the knowledge of nature was derived, when desired, rather from venerable but inaccurate authorities than from nature itself. During the later Middle Ages men became increasingly curious and for the answers to their questions, turned more and more to the study of the world around them. The results of their efforts were at first significant chiefly in the field of technology. In answer to the rising concern with ocean routes, great strides were made in map making, shipbuilding, and navigation. In answer to the demands of aggressive monarchs, new engines of war, such as the cannon, were invented. The demand for books on the part of a rapidly growing reading public stimulated the invention and development of printing. Business activity called for an improved science of numbers. During the sixteenth century the groundwork was laid for modern scientific development—in astronomy by Copernicus, in mathematics by Cardan, and in anatomy by Vesalius. During that century too, the voyages of discovery, begun just before 1500, exerted a profound influence upon the thought and imagination of

European observers. Men who were only beginning to explore the traditional world and to test its potentialities saw opening up before them a new world with new and apparently unlimited possibilities.

The discovery of the New World in a sense symbolizes the dawn of modern world history; and with it we may well end this study of the transition from medieval society to modern.

VI

THE FIRST COLONIAL EMPIRES: PORTUGAL

Thus the Europe which expanded overseas to America and the Far East in the fifteenth and sixteenth centuries was quite different from the crude, poor, politically decentralized Europe that had expanded into the Mediterranean four hundred years before. For one thing, the technical level of the area was now considerably higher. The water mill, for example, was now employed more extensively, and was used to create a draft in blast furnaces, thus making cast iron possible; the windmill had been invented and applied to land drainage; the spinning wheel, the treadle loom, the sawmill, improved glassmaking, and the paper mill had all raised the level of production in their industries. In sea communication, the stern rudder had displaced the older and less efficient lateral steering devices, the full-rigged three-masted sailing ship had replaced the simpler single-masted variety, and navigators were aided by the magnetic compass. Then, too, the wealth of the area had somewhat increased, and the Europeans had learned to assemble capital for large-scale enterprises, first through partnerships and then through associations called merchant adventurers. The use of pikemen and of gunpowder had raised the military strength of the region, and the kings were learning how to organize in a rudimentary way their military, administrative, and money power in support of large, state-directed expeditions. Both in power and in the organization of power, the new Europe was superior to the old.

The expansion overseas in the fifteenth century began with the attempt of the Portuguese and Spanish to reach by a direct sea route the Far Eastern source of the luxuries—precious stones, dyes, spices, and fine woven cloth—which hitherto the Italian merchants, at immense profit to themselves, had fetched from the eastern Mediterranean ports and peddled through Europe. Through the century, Portuguese navigators, under the auspices of the monarch, ventured, each time a little farther, down the African coast until finally (1497-1498) Vasco da Gama rounded the Cape of Good Hope and reached the Indian port of

Calicut. In India the Portuguese came into contact with one of the great world civilizations, which had passed its creative peak but still carried on at a high level. In physical power, the Portuguese, backed by a national monarch, had a slight military and naval advantage, sufficient at any rate to enable them to maintain military and trading posts in India, as the crusaders had not been able to do in Palestine. Otherwise the Europeans, representatives of a rising but youthful civilization, were still rather uncouth. In craft techniques, India was still far ahead. India, in a sense, was *the* manufacturing country of the Eurasian world. Fine silk and cotton cloths, woven by skilled Indian artisans, were carried along established routes of trade to China, Japan, Burma, Arabia, Persia, and parts of Africa, as well as to Europe. As late as the early eighteenth century, cotton cloth of good quality, woven by Indian artisans, could be laid down in England and sold more cheaply than the cotton products of English craftsmen. The Indian cities in the fifteenth century were more populous and wealthy than those of Italy, then the most populous and wealthy in Europe. In answer to the eternal philosophical questions Indian scholars had elaborated disquisitions as subtle as those of any medieval theologian or any Italian Neoplatonist.

As civilizers the Portuguese had little to offer and their relations with the Indians were those of trade, huckstering, and bargaining. As traders the Portuguese encountered the problem of security on the high seas against pirates and rival Moslem fleets and security on the shore against robbers, competing native merchants, and hostile native states; and the problem of organizing a steady supply of Eastern goods. At home in Europe they faced the complex business problems of financing through stock companies, of banking, and of marketing. The Portuguese, to solve the problems in the East, developed a commercial empire, based on military seizure of a few strategic points (Malacca, Goa, and Ormuz) which permitted them to domineer the trade routes of the area and hold the region commercially by the throat. The Portuguese Empire in the East thus set one type of overseas empire: the purely commercial, nonsettlement empire. As it was a trading empire, when it fell before the Dutch in the seventeenth century it disappeared almost without a trace.

VII

THE FIRST COLONIAL EMPIRES: SPAIN

Spain went west to get east and stumbled on a new world. In the Americas she and Portugal (the latter in Brazil) founded a different

type of empire. In the Far East, the Portuguese had entered a thickly populated region and an old, urban civilization whose craftsmen and plantations already produced the luxury commodities the Europeans desired and whose merchants already transported these products along well-established routes of trade. There Europeans did not need to settle in great numbers in order to obtain what they wanted. But in the Americas the Spanish and the Portuguese entered a region which was sparsely settled, and in which the people lived on a lower cultural level than the Europeans and produced few, if any, ready-made commodities suitable for European use. In the western hemisphere, labor and long-term planning were necessary for the exploitation of the resources of the area. Hence there appeared the settlement type of empire. The settler brought with him the mental and social habits (language, religion, political concepts, and the like) of the mother country at the time he emigrated. These habits were modified in the new region as they were adapted to new conditions and passed on from generation to generation, but they were never entirely destroyed.

So in the course of two or three centuries there grew up south of the Rio Grande a society with inherited and acquired characteristics. Since labor, even after emigration from Europe, was scarce, Indians and some Negroes (the latter, however, largely on the islands of the West Indies) were used on plantations, ranches, and mines, and for menial tasks in the few commercial and capital towns. As there were few Spanish women and intermarriage among the races was early established, there appeared between the whites and the Indians individuals of different blends of blood. Social classes tended to be distinct and to be based in part on color. But the society was also influenced profoundly by Spanish customs. The colonies were governed almost absolutely from Spain and from above, and early tendencies toward municipal self-government and representative institutions were for the most part snuffed out by the Spanish absolute monarchs. The colonial towns tended to repeat the features of Spanish culture: the Spanish square, the great Spanish Catholic church of Spanish baroque architecture, the Spanish newspaper and university, the Spanish social life—the upper classes tended to dress magnificently. Thus there evolved a society that was Spanish (or in Brazil, Portuguese) in language and culture, Catholic Christian in religion, mixed in race, and undemocratic socially and politically.

VIII—IX

SPAIN WINS AND LOSES THE HEGEMONY OF THE CONTINENT AND THE MONOPOLY OF OVERSEAS EMPIRE

The colonial empires of Portugal and Spain, as possessions of the Portuguese and Spanish kings, became entangled in those rivalries and wars for power in which the kings of Europe were engaged. Occasionally in the history of these continuing rivalries, a single country becomes so strong that its power casts a shadow over all Europe. Through most of the sixteenth century Spain occupied this dominating position not only in Europe but also in the colonial field. The story of her predominance, greatness, and decay through the sixteenth century and the first half of the seventeenth forms in fact a theme to which the other events of the international history of the period may be related.

In telling the story of Spain, one may first note the extent of the dominion of her ruler Charles V (1500-1558), including the colonial monopoly shared with Portugal. One may remark her elements of strength at that time, which we are apt to forget—a Spanish population as large as that of France and three times that of England; a productive agriculture in Spain and Sicily sufficient to feed the people; a raw material (wool) to sell abroad for cash; the wealth of the Netherlands and the gold and silver of America; the best army in Europe; the strategic positions in the Western Mediterranean and America; an advantageous foreign situation—Italy disunited and disadvantageously placed, Germany divided and engaged in religious conflict and war, England gathering strength yet vacillating in her foreign policy, France (the sole steady foe) soon to be involved in religious troubles.

One may then skip most of the tangled reign of Charles V and pass to the decline of Spain during the latter part of the reign of Philip II and during the rule of his successors, Philip III and Philip IV. One may here follow a chronological sequence: the rebellion of the Netherlands (Holland and Belgium) against Spanish rule (1566), the Spanish annexation of Portugal (1580), which opened the Portuguese colonial empire to Dutch attack; English aid to Holland (1585); the defeat of the Spanish Armada and the rise of English and Dutch sea power and colonial enterprise; the organization and spread of the Dutch Empire in the Far East and in the Americas; and the Dutch quarrels with the English. Then, returning to Europe, one may conclude with how Spain met disaster on the continent at the hands of France (1659 as a closing date), and manifested symptoms of internal decline and decay.

Overseas expansion, in its first two centuries (1492-1689), which we have sketched in Topics VI to IX, of course reacted on Western Europe. Among the effects of the new areas were the shift of trade routes from the Mediterranean to the Atlantic; the change in goods brought to European markets—the importation not only of spices and luxury articles but also of bulk commodities like rice, sugar, tea, coffee, and tobacco, resulting (under the stimulus of advertising and the salesmanship of merchants) in a rising standard of consumption; the greatly increased volume of trade, speculation, and capitalistic enterprise, and the invention of the new capitalistic devices of the joint stock company and the stock exchange.

As a result of the first colonial wars, an informal colonial compromise was reached by which Spain was left to enjoy California, Mexico, a few of the West Indies, Central and a part of South America; Portugal was left to exploit Brazil and parts of Africa and Asia; and the Dutch were given a free hand in the East Indies. The central colonial contest was now (after 1689) between England and France over North America, India, and portions of the West Indies. The characteristics of French and English colonization were naturally affected by the characteristics, respectively, of French and English society, to which we shall now turn our attention.

X

ABSOLUTIST FRANCE

While the kings were enlarging their domain to include colonies and were engaging in wars with one another, they were also raising their monarchies to a higher level of political organization. As typical of these absolute monarchies on the continent, we may consider that of France, especially as it appeared under Louis XIV, who reigned from 1661-1715. In France, the kings had after centuries of struggle gained a firmer grip on the society and people over which they ruled. They had retained the feudal organization of society into three definite legal classes: the first class or estate being the clergy; the second estate, the nobility; and the third estate, the townsmen and peasants. The first two estates had legal privileges; the last one, and especially the peasants, had legal obligations. But the kings had imposed on this society the authority of the monarch as supreme lawgiver, the supervision and regulation of the royal administration, and the power, if needed, of the royal army. The central administration of Louis XIV at Versailles was organized by departments (Foreign Affairs, Finance, Army, Navy,

and the like), with a minister over each, and these ministers regularly met in cabinet councils under the supervision of the king. The decisions of the ministers, the councils, and the king were executed by local royal officials, known as intendants, each of whom governed a province. The entire administration was reasonably efficient for that day; its action was incessant, regular, and uninterrupted, and it tried to settle matters as they arose. But it tended to direct everything from Versailles and it operated unchecked by any central legislature or by any guarantees to civil liberty. It dominated, furthermore, through appeal to fear and to hope, through intimidation and favors, every single class—the nobles, clergy (and Church), intellectuals, middle class, and peasants.

In the field of economic enterprise, moreover, the administration, by a policy known as mercantilism, interfered constantly to regulate in minute detail and to stimulate the commerce and industry of France. In the history of the Western world, there have been four major theories of the relation of the government or social control to economic endeavor: the medieval theory of just price, mercantilism, laissez faire, and socialism. If a person thoroughly understood those theories and the conditions which produced them and the consequences of their application, he would know most of the economic history of the Western world. The medieval theory of just price, as we have seen, was adapted to a local market and local regulation which changed slowly. Gradually, as the kings brought peace to a larger area and as roads were improved, the area of exchange came to include the nation, and, as colonies were acquired, to include the nation's colonies. Now the mercantilists, who were usually the king's statesmen or practical economists loyal to the established regime, tried to organize the economy of this nation-colonial unit and its economic relations with other nation-colonial units so as to increase the wealth, prosperity, and strength of their nation. But these statesmen of the seventeenth century lived in a money-poor, credit-poor continent. There were few gold and silver mines in Europe; paper money was a device not yet invented; there were no government banks and few private banks. In that situation, a store of gold and silver was a convenience to a monarch to stimulate business and to pay his soldiers used in the international struggle for power. Moreover, from Spanish-American mines was arriving in Spain an annual hoard of specie, which, despite Spanish prohibitions, was in the course of trade diffusing itself through the continent. Naturally, the mercantilists would try to organize their nation-colonial unit so that it would acquire and retain some of this specie. But the only public economic policy with which the mercantilists were acquainted was the medieval one of regulation. The mercantilists, it is true, attempted to abolish the old local

tolls on the road and the old provincial tariffs and to push the tariffs out to the national boundaries. In that sense—of freeing internal commerce from local restrictions—mercantilism was a liberating movement. But otherwise the mercantilistic statesmen tried by minute regulation and subsidy to shape the economy of the nation-colonial unit so as to obtain a favorable balance of trade, that is, an excess of exports over imports. The excess of exports would be paid for by gold from another nation-colonial unit. Thus, in pursuance of this aim—a favorable balance of trade—they placed tariffs on foreign products in order to reduce imports; encouraged by subsidy home industries which they produced for export; regulated methods of manufacture to improve the quality of the product so that it might meet foreign competition at home and abroad; and devised a network of colonial regulation which we shall study in greater detail later. Mercantilism was the characteristic economic policy of the governments of the period.

The monarchy of Louis XIV with its three-class society, its efficient administration, and its detailed mercantilistic policy worked rather successfully in the first half of the reign, until Louis exhausted his treasury and France in a series of wars. And when a regime is at its height, people generally have reasons for believing that the existing order is good. The reasons may be good or bad, but to the generation which believes in them they are convincing. Louis could in fact present three intellectual defenses of his monarchy. One was derived from feudal law: that the monarch was the supreme proprietor of the realm, that the kingdom was in a sense his property or possession over which he had rights. The second defense was derived from the central statement of Roman law: "What the Prince pleases has the force of law." The third defense was that of Divine Right: that the king received his authority directly from God. As the king and his generation believed in these doctrines, they accepted as a matter of course that he could, for example, imprison anyone for any length of time without trial.

This French absolute monarchy possessed prestige. Its influence was visible not only in French colonies overseas but also in the policy of the other rulers in Europe. The absolute monarchy, in fact, during the latter decades of the seventeenth century became the typical, prevailing form of government in the principal states of Europe, with the lesser exceptions of the Netherlands and Switzerland and with the notable exception of England. To the consideration of the latter, we shall now turn our attention.

XI—XII

PARLIAMENTARY ENGLAND

In early modern times, the Tudors in England (1485-1603) were strong kings who enhanced their power by streamlining the administrative machinery, by cultivating their personal popularity, by practicing skillful politics, by developing and using as an ally the new force of national feeling, by nationalizing the Church, and by capitalizing on the fear most Englishmen had of rocking the boat in a sea of domestic division and foreign peril. Moreover, in carrying through their policies, they were generally careful not to set themselves in opposition to the substantial classes of the people; indeed, they effected the important changes of their reigns by working with the leading classes through the Privy Council and Parliament.

James Stuart, who in 1603 succeeded the last of the Tudors, did not understand the English situation. He was a foreigner, having been King James VI of Scotland before he became James I of England. He was also a theorist, devoted to the idea that a king should be independent and strong, and obsessed by the divine right of monarchy. He was therefore led into misinterpreting the apparent despotism of the Tudors as a permanent constitutional enhancement of the royal prerogative. Without the Tudors' popularity and political skill, and without the situations in which those attributes had been effective, the Stuarts would have ruled as absolute monarchs if they had been able to, but, in the face of this threat of absolutism, landholders and merchants in Parliament, independent judges of the Common Law, and members of the dissenting Protestant sects resisted James and the other Stuart kings in a struggle that lasted nearly a century.

At the center of the struggle were two old institutions, Parliament and the Common Law, and one new element, the ideas of Protestantism, especially those of the Calvinist and more radical sects. Kings had begun to summon Parliaments in the Middle Ages with no thought that they would grow into a representative assembly capable of checking the executive. But, as it grew in importance during the later Middle Ages and early modern times, Parliament had put forward claims and precedents with regard to its rights and privileges. Then, in the new situation of the seventeenth century, these earlier precedents were interpreted and enlarged by members of Parliament to support the assertion of this assembly's powers with respect to control of revenue, oversight of policy, and protection of the liberties of the subjects. In other words, in the struggle with the king the English, instead of sowing wild seeds of liberty, grafted onto the good stock of ancient precedents new practices

which were to make the English Parliament the prototype of self-government throughout the world.

Similarly, the English Common Law had originated in the Middle Ages largely, but not entirely, from the procedures and decisions of the king's judges who had not been initially established and appointed with the idea of protecting the freedom of the subject. By the seventeenth century, the Common Law had become a maze of ancient decisions and of legal statements set down in old treatises and commentaries; it was ossified, difficult to change, and slavish to precedent. Nevertheless, in the struggle with the king the very ossification and conservatism of this law was an advantage. In the hands of an independent judge like Sir Edward Coke, its ancient usages could be used in decisions against the king when the latter tried to introduce innovations in the law. The revived Roman law of the Renaissance, which enhanced the authority of the prince, could have been used to support the view of James; Coke, instead, elaborated the old English law into an instrument to block the king, into a stick to beat him. Furthermore, the courts of Common Law used procedures, such as trial by jury and writs of habeas corpus, which helped to protect subjects from tyranny.

The dissenting Protestant sects also offered resistance to absolutism. They either agitated for reforms within the Church of England or seceded from it entirely; when the Stuarts denied reform or punished independence, they joined the opposition. Furthermore, their forms of church government (the representative system of the Presbyterians and the congregational compact of the Separatists and Baptists) and their dislike of authority (Quakers even denied the authority of the magistrate over the believer) inclined them to dispute the claims of the king and in fact drove them into a variety of forms of political radicalism. For example, during a phase of the struggle with the king when the dissenting Protestant sects controlled the government, both crown and the House of Lords were abolished to give place to a unicameral legislature which was elected by popular suffrage and whose powers were limited by the written constitution under which it was established. James I was not without insight when he said that the presbytery "agreeth as well with monarchy as God and the devil."

This conflict between the Stuart kings who tried to rule absolutely and those elements of the population which opposed them led by 1659 to trouble between king and Parliament, to rebellion, to civil war, to the execution of James I's son, Charles I, to experimentation with various forms of a republic, and finally to the military dictatorship of Oliver Cromwell. The republican experiments and Cromwell's dictatorship

convinced the English that their government worked better with the crown in place as its keystone.

In 1660 they recalled the Stuarts to the throne in the person of Charles II. Charles, though facile and pleasure-loving, was shrewd enough not to revive the extreme pretensions of the earlier Stuarts. But his brother, James II, who succeeded in 1685, tried to establish absolutism. The ruling class of landholders and merchants thereupon, with the help of William of Orange, Mary, his wife, and a Dutch army, frightened James from the throne in the Glorious Revolution of 1688. William and Mary were then declared joint sovereigns in a document which contained also the Bill of Rights. This act and others that followed, with the ideas and attitudes implied in them, constituted the Revolutionary Settlement. It included a partiality for the established institutions of the English government; freedom from arbitrary arrest and trial, and a measure of freedom of worship, of speech, and of press; and a strong Parliament, made up of influential members of the ruling class and now firmly in possession of powers and privileges it had long claimed, such as control of the purse, freedom of debate, and freedom from arrest. These prerogatives were coming to be cherished most keenly in the House of Commons, which now increasingly asserted its right to initiate policy. It was to require a century and a half more, however, to learn how to implement its powers in the system of cabinet government.

The experiences of the seventeenth century, which had firmly established Parliament and guarantees to individual liberty, also led the English philosopher, John Locke, to formulate a logical defense of liberal, constitutional government and of the Revolution of 1688. In justification of that Revolution, in which a king seeking to establish absolutism had been deposed, Locke argued that governments are instituted and justifiable on the basis of a contract between the government and the governed; that this contract binds the government to protect the natural rights of its citizens—their life, liberty, and property; that when a government ceases to protect these rights a majority of the citizens may replace it with another.

What had been gropingly worked out in the seventeenth century on the little island of England among a population of slightly more than five million in response to local conditions became in the next century of nearly universal influence and significance throughout the Western world. The victories won in England over absolutism, the relative political freedom enjoyed by Englishmen, the growth of English trade and prosperity all made England in the eighteenth century the envy of the continent and an example for its reformers. At the same time the

theory of Locke, stated as it was in general terms, became the popular exposition of liberal, constitutional doctrine both in England and abroad.

XIII

FRENCH AND ENGLISH COLONIAL EMPIRES CONTRASTED AND COMPARED

We may now contrast and compare French and English colonial enterprise during the seventeenth century (to 1689) in the West Indies, North America, and India. The first comparison would be between the ideas and institutions which the French and English settlers brought to North America. The English settlers transplanted, first, elements of the Common Law, including jury trial; second, not parliament, but the habit of working through an assembly, sometimes a new representative assembly, to get things done; and third, Protestantism (in the northern colonies, Puritanism, "the dissidence of dissent"). The French settlers, on the other hand, brought administrative regulation; the habits of going to an official to get things done, and of referring matters to the center of the administration at Versailles; and Catholicism.

But in the economic-imperial policies of the governments of France and England there was little fundamental difference. Each government through mercantilistic regulations tried to organize the colonies and the mother country into an exclusive, self-sufficient (raw material-manufacturing-trade-labor) economy which would operate so as to increase the amount of gold in the home country. A colonial empire administered in this fashion could thus become a decisive asset in the dynastic-national wars on the continent. It would increase the wealth of a national state (as understood under the mercantilist system) and thus contribute to resources necessary in the struggle for power. It would free the state from dependency on rivals, thus giving the state greater freedom of action in international alignments. The imperial system of the rival state also offered a vulnerable spot through which that state might be attacked—in peace, and if necessary in war. Because they are desirable and offer targets for attack, colonial empires continue to become involved in the dynastic-national rivalries in Europe.

XIV

ENGLAND AND FRANCE CLASH IN A WORLD-WIDE STRUGGLE: FIRST PHASE

The Anglo-French colonial rivalry in its first stage merged into the attempt of Louis XIV to secure predominance in Europe. After

the decline of Spain, France was the strongest power on the continent. Under Louis XIV (1661-1715), she possessed a compact territory, a large population, a centralized administration, sound finances (at first), and an unsurpassed army. In his first three wars, Louis, ambitious for glory, directed this power toward conquest. He sought the extension of the French frontier toward the Rhine and the establishment of his dominant influence over Germany. In each war the powers piled on France as their individual interests were attacked or their general apprehensions were aroused. In the third war (of the League of Augsburg, 1689-1697), England entered on the side of Louis' enemies, and the conflict extended in area to include the Anglo-French colonial possessions. In the fourth war (of the Spanish Succession, 1702-1713), Louis, by attempting to place his grandson on the Spanish throne and thus to unite both the continental and overseas possessions of France and Spain under a single dynasty, was apparently seeking domination of his world. The ensuing war, in which Louis was opposed by a grand coalition of England, Holland, and Austria, raged on the continent, on the seas, and in the Americas. It ended in the defeat of Louis. For France the war brought debt and misery and the cession of Newfoundland, Nova Scotia, and the Hudson Bay region to England. For Spain it brought the loss of its chief Italian possessions (Milan, Naples, Sardinia) and the Spanish Netherlands to Austria, which now dominated northern Italy, and the loss of Minorca and Gibraltar to England, which thus became the "gatekeeper of the Western Mediterranean."

XV

CENTRAL EUROPE: AUSTRIA AND PRUSSIA

The Anglo-French colonial rivalry in its second stage merged into the eighteenth-century continental wars of aggrandizement in which three Eastern European powers—Austria, Prussia, and Russia—were involved. It is perhaps convenient, therefore, to consider these states at this point.

Western Europe in its history had expanded not only overseas but also overland to the east in Germany against the Slavs. In the middle of the eighth century the boundary between Germans and Slavs had been roughly the Elbe and Saale rivers. Since that time German attack and colonization, split by the Bohemian bastion, had pointed in two directions: to the southeast down the Danube through eastern Bavaria and Austria; to the northeast along the shores of the Baltic through Brandenburg, Prussia, and modern Lithuania, Latvia, and Esthonia.

By the latter part of the seventeenth century, a great power had begun to arise for each of these prongs—in the southeast, the conglomerate Hapsburg monarchy; in the northeast, the military state of Brandenburg-Prussia.

Germany, it may be recalled, had failed to attain national unity or an effective national government in the later Middle Ages. In the last half of the seventeenth century, she was still divided into three hundred nearly independent princely states and self-governing towns of varying size and importance. These states owed a shadowy allegiance to the Holy Roman Emperor, now usually a member of the Hapsburg family. The Hapsburgs derived prestige from the imperial title, but their real power came from their family possessions of Austria, Bohemia, and Hungary, in the Danube area. The peoples in the Hapsburg possessions were diverse: Germans, Czechs, Catholic Jugoslavs, and Hungarians. The Hapsburg domain thus lacked any national basis to cement it together. Nevertheless, its central bureaucracy, a German *bourgeoisie* trading in the Danube valley, a service nobility dependent upon the crown, and the strong support of the Church, gave the Hapsburg state enough cohesion and vitality to enable its rulers to drive the crumbling Turkish Empire out of the Hungarian plain as well as to play a strong role in European politics.

The weakness of the Hapsburgs as German emperors, however, permitted the rise of a strong North German state in Brandenburg, later known as Prussia. In the late Middle Ages we noted how the peoples of England and France had grown around the nucleus of a royal administration to form a living whole. Here in Prussia we have a modern instance of how three capable rulers (the Great Elector, Frederick the Great's father, and Frederick the Great) hammered their scattered possessions into a state and were in the process of forming a Prussian nation. Their chief instruments were a strong army, a disciplined bureaucracy, and a loyal nobility who governed the serfs. The rulers, in the process of solving their problems, created a tradition—the Prussian tradition whose elements included a belief in a strong army; a faith in force; a conviction that the army and a calculated foreign policy should be deliberately employed to add territory; a disciplined bureaucracy characterized by devotion to duty; thorough state supervision of and aid to economic enterprise; and a philosophy which stressed the state rather than the individual. The elements in the tradition were not all peculiar to Prussia, but their concentrated combination and sustained application were unique. In the end the rulers accomplished the impossible: out of scattered units open to attack on the poor, sandy

soil of the North German plain, they created a great power able to challenge the Austrian Hapsburgs for leadership in Germany and to compete as equals with France and Russia in Europe.

XVI

EASTERN EUROPE: RUSSIA

Western civilization also expanded into Russia. This country, which had been overrun by the Mongols and ravaged by its neighbors, had lagged behind the West. Early in the eighteenth century one of its rulers, Peter the Great, impelled his country to narrow this cultural gap. Filled with admiration for Western absolutism, he overcame the last remaining obstacles to his absolute power and finished the construction of a typical national monarchy. Thus he had at his command the usual service nobility and a middle class dependent upon the ruler, a modern central administration, staffed by a loyal, though corrupt, bureaucracy, and a huge standing army and a powerful fleet. Like Spanish Catholicism or English Protestantism, the Russian Orthodox Church was completely subordinated to the crown; the nominal rule of the Church was entrusted to an appointed Synod, patterned after that of Prussia, instead of to the fractious Patriarch. Peter's economic measures were equally important. The acquisition of the ports of Riga and Revel and the building of St. Petersburg, as well as the construction of canals linking the ports with the vast inland river system, stimulated the export of grain and flax. Furthermore, the efforts of "the father of Russian industry" compelled his subjects to smelt the iron ore of the Ural mountains and to weave woolens in impressive amounts. In all this work the influence of the West was strong, for Peter imported engineers, physicians, architects, shipbuilders, pedagogues, and the like, from Germany, the Netherlands, England, and other countries, to instruct his subjects in their crafts or to teach in his new technical schools. Unfortunately, the burden of all this fell upon the peasant masses, who had to furnish conscripts for the army and navy, do the grinding labor of building great public works and pay taxes twice as large as those exacted by Peter's predecessors. Serfdom, already far advanced, was made complete and universal in the interests of the nobles, whose service was required to staff the army and the bureaucracy. Peter's head tax, collected by the nobles, and his passport system bound the peasants to the soil and left them at the mercy of their lords. When the burdens became unbearable and revolts broke out, Peter was merciless with the

rebels, on whom he wreaked fearful vengeance. Even his own son suffered under him; when Peter found that he was plotting to undo the czar's work, the young man was tortured and killed. By these policies, Russia became a great force in European power politics; and the impetus that Peter gave to its progress endured in spite of his hopelessly incompetent successors.

Russia continued to draw closer to the West under the next able ruler, Catherine II. It is true that her westernizing reforms and importations were largely superficial. She paraded her liberalism before Europe by a few gestures against serfdom and by friendship with Voltaire and Diderot, but it bore little fruit except religious toleration and the abolition of torture. Not without reason was her reign called "the golden age of the Russian nobility," for this class, now relieved of their compulsory service duties and reveling in the luxuries of French culture, enjoyed a free hand in exploiting their serfs. But while the French pattern of life was largely a surface change touching the upper classes and while only the first traces of genuine culture appeared, Russia was brought into closer contact with the West as a result of Catherine's foreign policy. Catherine's three partitions of Poland brought Russia face to face with Prussia and Austria, and her great victories over the Turks started trade from the Black Sea region and brought Russia within sight of Constantinople, a second outlet to the West. Russia was more than ever an important factor in European affairs.

XVII

ENGLAND AND FRANCE CLASH IN A WORLD-WIDE STRUGGLE: SECOND PHASE

The colonial struggle between England and France was resumed in the mid-eighteenth century and became entangled with the continental War of the Austrian Succession (1740-1748) and the Seven Years' War (1756-1763), in which the new, aggressive element was Prussia. In these wars, as in every European conflict of considerable proportions, national (also in this case dynastic) and imperialistic considerations were interwoven in a complex pattern. From the conflict England and Prussia emerged victorious. Prussia became one of the six great powers of Europe. England was now the leading naval, commercial, and colonial power of the world.

XVIII

THE INTELLECTUAL FOUNDATION OF THE STRUGGLE FOR LIBERTY: THE ENLIGHTENMENT

In the first half of this synopsis, we have created the modern states and set them expanding and contesting with one another. The organization of large groups of people, and of large areas, under central administrations; the power lodged in the hands of their rulers in the shape of modern rather than feudal military forces; the importance lent the state by taxes and the requirements of mercantilism in an age of growing wealth; the subjugation of the church (with its charitable and educational duties, with its patronage and its domination of the hearts of men) by the secular authority—all these gave increased power to the state. Not unnaturally the question arose: "Who was to wield this power?" And the elements of society, the practical politicians, the power hungry, the idealists, the traditional rulers and noble groups, the political theorists, the capitalist and middle-class holders of the new economic power, and later the factory workers squared off for a contest over control of the state and over its aims and functions, a contest which has raged unabated to the present.

The question of the control of the modern state had been raised, as we have seen, in England in the seventeenth century, and had been decided against the king and in favor of the landed gentry and merchants. The leading classes had modified the character of the government to assure their control. The question of control was raised in France and in the British-American colonies in the eighteenth century and in other countries of Europe and in Central and South America in the nineteenth century. During these centuries, the eighteenth and nineteenth, the struggle for control centered around the question of liberty, the individual and his rights, and the form of government that might be devised. It was an age, fundamentally, of liberal revolution, of the struggle of the middle and lower classes for greater liberty and increased participation in the government.

The struggle in the eighteenth century was preceded and accompanied by a broad intellectual movement known as the Enlightenment. A complex movement, it had many facets. Oversimplifying somewhat, we shall emphasize the individual man, his dignity, his worth, and his rights. We have seen that he was freed in the Renaissance of an ideal of static conformity and other worldliness. We have seen that in the Protestant Rebellion he decided he could individually deal with the most important question permitted an individual: "How shall a man be

saved?" and he began to use his own individual faith and mind to make his own individual peace with God.

In what might be called the scientific revolution in the sixteenth and seventeenth centuries, man not only freed his mind of superstition about the natural phenomena around him but did it by his reason. Copernicus, Kepler, and Newton demonstrated, for example, that the great universe acted according to rules (or natural laws), that man could by his reason discover those rules, and that he could set them down in formulas like so many algebraic equations. A passion possessed the West for finding out more and more of the laws of science, for organizing, codifying, classifying, and generalizing on natural data.

From the spectacular success of science in discovering a rational order in the physical universe, our newly proud and confident individual next inferred that not only the physical universe, but all nature—that is, the whole scheme of things—was orderly and rational. He also deduced that man might by reason find out what was the rational order or harmony of nature in all phases of existence. For example, by the use of reason man might discover what was natural religion—that is, the religion that was in accord with the harmony of nature. Or again, by the use of reason he might discover what were the natural rights of man—that is, those political rights that were in accord with the rational nature of things. Then religion could be altered so that it would become this natural religion, or governments changed so that they would protect these natural rights. In other words, it came to be thought that man might apply reason to society, find out what was a rational social organization, and then agitate for whatever change was needed to bring society into conformity with this rational ideal. All of this constituted a revolution in philosophy.

But could society and the environment be changed? Christianity maintained that man was innately depraved; a number of psychologists asserted that men were born with some innate ideas. In either case, change would be difficult. But here John Locke's *Essay Concerning Human Understanding* was of value and influence. In this book, which became the psychological gospel of the eighteenth century, Locke had demolished the theory that children are born with certain innate ideas. While he had admitted that children have at birth one or two natural tendencies like hunger, he had stated that their mind is empty, a blank sheet of paper. All ideas come only from sensation received after the child is born and from reflection on sensation. From Locke's psychological theory, men drew two corollaries. First, as Randall observes, "since all that men are comes from experience, all present differences and inequalities must be due to differences in environment, and men

must *at birth* be exactly equal." Secondly, since all that men are comes from experience, they can be improved and perfected by education and by otherwise changing the environment. Hence, let us educate men and reform the environment. These inferences in turn sustained the eighteenth-century belief in progress and human perfectibility—namely, the faith that men may and will indefinitely improve themselves through education and change of the environment. It was an optimistic faith, as contrasted with the theory of the innate and total depravity of the human race.

Well, change the environment in what direction? What is the test or standard to be applied to proposals for reform? Here recurred the confident belief in the existence of a harmonious order in nature and in the ability of reason to discover it. Change the environment, or society, or institutions, it was said, so that they will correspond with the rational harmony of nature. But what, in concrete fact, would be natural, rational institutions? Nature and reason, like history, each speak differently to different individuals and to different epochs. As it turned out, the eighteenth-century thinkers derived their specific reforms from common sense applied to experience and also, at first, from the example of England. Consciously or unconsciously, down to 1750, philosophers and writers on the continent considered the rights of Englishmen to be natural rights, and the English government, with modifications, to be the one most in accord with reason. The triumph of the English "people"—i.e. the gentry and the merchants, in making the king move over and make room in the government for them, the triumph of (a measure of) toleration, the triumph of a rule of law over tyrannical decree, had indeed, in the eyes of contemporaries, made England enviably free. Locke, moreover, summarizing the winning philosophy of his century and rationalizing the Glorious Revolution, had written a treatise in the summer of 1689 which had proved that all this was the result and justification of natural law in government and was in conformity with the natural rights of man. (See the next to the last paragraph of Topic XI-XII for a more complete summary of Locke's doctrine.)

So, seizing on the implications of the scientific-philosophical revolution, on the English example or what they thought was the English example, and on Lockean theory, French thinkers in the eighteenth century, writing in a country which possessed the intellectual hegemony of Europe, attacked existing government and society on the European continent. The French writers applied the standard of reason to the inextricable confusion of feudal customs, ecclesiastical immunities, guild privileges, social and financial inequalities, and arbitrary governmental restrictions of the old regime. They applied the standard of the English

example to the castelike inequality and privilege, the illiberal repression, and the arbitrary and cruel judicial procedures of continental societies and administrations. They applied to the aristocratic-absolutist monarchies the standard of Locke's theory that every individual, every man possesses certain natural rights of life, liberty, and property upon which no government should infringe. And on all these counts—of reason, of the English example, and of natural rights—current practices in government, the Church, and all the manifestations of society were indicted and found to be in need of reform.

In proposing how the change should be carried through, however, three different methods or paths of reform were developed, each associated with a leading French thinker. Where the ruler himself was enlightened and himself undertook the removal of abuses and the initiation of reform, we have the method of enlightened despotism. Of the theorists, Voltaire would have been satisfied with an enlightened despot, provided he granted civil liberties. Where the change was to include civil liberties and also the creation of a parliamentary, constitutional monarchy perhaps on the model of England, as that model was imperfectly understood, we have the path of reform known as constitutionalism. When contemporaries thought of this type of reform, they generally thought not of England, which they did not know or really understand, but of Montesquieu's somewhat erroneous and enthusiastic description of the English government as a check-and-balance system. In his portrayal, the executive power rested with the king and ministers, the legislative with a parliament whose lower house was elected by property-qualified voters, and the judicial with an independent judiciary, the three powers so interchecked that neither could oppress the liberties of the citizens. Montesquieu's picture of England and of constitutionalism was the dream of many a discontented bourgeois. The third path of reform—through democratic rule—was prepared in France by the writings of Rousseau. In his *Social Contract,* he stated democratic theory: legitimate government is based on the consent of the governed, and sovereignty resides in the people.

Each of these authors and of these suggested methods of reform exercised a tremendous influence throughout the Western world. For although the French thinkers took the lead in the Enlightenment in the eighteenth century, this intellectual movement was international in its scope and universal in its implications. To the labor of applying reason and original thought to the problems of human society, thinkers other than French contributed: the Englishman, Adam Smith, for example, in the field of economics, or again the Italian, Beccaria, on the subject of crime and punishment. The works of these original thinkers

and of lesser propagandists, moreover, were read by educated people throughout Western civilization, not only in France and England, but in Spain, Italy, Austria, Germany, Russia, and in North and South America. For the basic doctrines of the Enlightenment were of general application. The thinkers spoke not of the rights of Frenchmen or of the rights of Englishmen, but of the rights of man, which could be demanded from any government, presumably at any time and in any place. And throughout nearly all the Western world there were people who suffered under political and economic restriction, who chafed under social and legal inequality, and who would welcome any doctrine which would support their demands for change. Looking forward, we shall now take up how these doctrines were used in the American Revolution, in the territories of the enlightened despots, in the French Revolution, and in the spread of liberalism through Western civilization.

XIX

THE FIRST RADICAL APPLICATION OF THE IDEAS OF THE ENLIGHTENMENT: THE AMERICAN REVOLUTION

The basic ideas of the Enlightenment when combined with local conditions received their first radical application in the Western world in the successful revolt of the English colonies in America. In America the ideas of the Enlightenment were derived not so much from the French thinkers as from a reading of Locke. In the colonies the upper classes were schooled in Locke's liberal theory that all men possessed certain natural rights which governments were bound to protect. In New England, furthermore, the ministers had passed Locke's theory on to the lower classes in their congregations. The upper classes of the colonies, moreover, had had long experience in self-rule which led them to believe that the British constitution gave a large degree of self-government to the provinces, that the colonists possessed certain rights as Englishmen, such as that of not being taxed without their consent. When the British government, after the Seven Years' War, attempted to tighten up the enforcement of the mercantilistic system, these upper classes, especially in the north where they engaged in the contraband trade, became seriously discontented. When the British attempted to solve the problem of imperial revenue by levying a Stamp Tax and then a Tea Tax, Americans of all classes felt that they were affected financially. The intellectuals and politicians began a campaign of agitation and propaganda. At first the colonists attacked the laws on the ground

that they violated their rights as Englishmen. But as the debate with Britain became bitter and irreconcilable, the colonists justified their revolt on the basis of the fundamental ideas of Locke and the Enlightenment—that British actions violated their rights as men. And it was on this argument that the colonists are entitled to the rights of man (in this case "life, liberty, and the pursuit of happiness") that Jefferson in the Declaration of Independence made the colonists' appeal to the Western world.

The American Revolution was a complex affair and expressed not only the contemporary intellectual movement of the century but also every theme in the history of Western civilization that we have studied. The expansion of Europe? The Revolution was an incident in the continuing attempt of the British to solve the problem of imperial organization; and the successful accomplishment of the Revolution marked the first secession of an overseas center of European civilization from an empire. The gradual growth of a world-wide economic community and the successive adaptations of economic theory to the growing size of the market? Much of the discontent of the upper class of northern colonies flowed from the fact that both their commerce and production for their commerce had grown beyond the area of the British nation-colonial system and would be decisively crippled by enforcement of mercantilistic regulations adapted (if ever) to a smaller area of exchange. The revolt was a phase in the current reaction against mercantilism. The rivalry of the powers? France, perceiving a chance to cripple her old-time enemy and to gain revenge, joined the colonists. Later Spain and Holland entered the conflict; Russia, Sweden, Denmark, Prussia, and Portugal adhered to an armed neutrality against Great Britain, and the war in the thirteen colonies became merely a part of a world-wide struggle. Indeed, the secession of the colonies was accomplished partly because Britain was forced for the only time in her history to fight a major war alone and one purely maritime in nature—that is, without a land power or a land war on the continent to divert her enemy from concentration on naval and expeditionary forces. The problem of liberty and authority in the modern state and the birth of a nation? After the American Revolution, the constitution of 1787 outlined a federal government. The constitution was the product of original, flexible thought which used the political experience of that generation and of earlier generations to arrive at a creative solution of the problems of liberty and authority in a federal republic. When its administration was established in 1789, the American people, who did not yet constitute a nation, had a nucleus around which they could grow to form a living whole. As the United States was part of the Western

world, it was natural that its history should reflect the tendencies of that world.

It was also natural that news of the Revolution should now react on other areas of that world. The Declaration of Independence was translated into Spanish and was read in the Spanish-American colonies, and thus contributed to the diffusion of the Enlightenment philosophy in those regions. The example of a successful colonial revolt against a mother country, the establishment of a republic, and the drafting of a written constitution were not without influence when it came time for the Spanish-American colonies to secede. Likewise, the American Revolution, by encouraging educated Frenchmen to dream, if not of a republic, at least of more liberty for themselves and France, reinforced the Enlightenment philosophy there. So to France and the continent of Europe we now return.

XX

REFORM BY THE ENLIGHTENED DESPOT IS TRIED IN EUROPE WITH PARTIAL SUCCESS OUTSIDE FRANCE AND WITH ALMOST NO SUCCESS WITHIN FRANCE

The works of the reformers and thinkers of the Enlightenment were read, as we have indicated, throughout Europe. Sometimes they were read by the statesmen, the cabinet ministers, and the kings or princes of Spain, of the lesser states of Italy and Germany, of Austria, Prussia, Denmark, Sweden, and Russia; and sometimes these men, like Frederick the Great of Prussia, initiated a few of the reforms the philosophers had suggested. The kings and statesmen had no intention of granting self-government to their subjects, but, moved by humanitarian considerations and by the desire to increase the efficiency and unity of the administration, they abolished legal torture to extract evidence, unified and codified the laws, established religious toleration, tried to alleviate the condition of the serf and occasionally to abolish serfdom. In other words, outside France a bare beginning was made in some states to end some of the injustice, confusion, and cruelty of the absolute monarchies of the old regime. Although scarcely a dent was made in the institutions of the old regime, nevertheless reform from above, by the enlightened despot, was being tried.

In France reform from above, when attempted, always foundered on the character of the two kings of the century. Louis XV (1715-1774) was reasonably intelligent, but was timid, voluptuous, debauched, lazy, indifferent, and bored. In policy he was wasteful and extravagant, and

engaged in the disastrous Seven Years' War with Frederick the Great and England in which France lost her colonial empire. His successor, Louis XVI, was well-meaning but was young, ignorant, poorly prepared, and of mediocre intelligence. He tried reform, but was weak. Under pressure of the courtiers he dismissed the reformers, and the state drifted toward bankruptcy and disorganization. If France had had a single competent king in the eighteenth century, there possibly would have been no revolution.

Under these two kings, the middle class became increasingly prosperous and increasingly discontented. That class had been on the whole profoundly loyal to Louis XIV. He had brought order to France, he had used only members of the middle class in the administration, and by a mercantilistic policy he endeavored to promote their prosperity. But during the eighteenth century, the increasing employment of nobles in the administration (Departments of War, Navy, and Foreign Affairs), the army, the navy, the judiciary, and the higher posts of the church; the outworn mercantilistic regulations which, instead of promoting commerce and industry, hindered them; the writings of Voltaire, Montesquieu, Rousseau, and other reformers; the increasing wealth of the middle class and the knowledge that they in ability were as good as or better than the nobility who snubbed them; the exasperating blunders of the king and the ruling caste, especially in foreign affairs—all tended to turn the middle class against a regime which once had obtained its support. If the middle class came into power in France, they would, in accord with their own desires and interests and in accord with prevailing political ideas of the Enlightenment, demand greater liberty and participation in the government.

XXI

THE SECOND RADICAL APPLICATION OF THE IDEAS OF THE ENLIGHTENMENT: THE FRENCH REVOLUTION

In France the bankruptcy of the monarchy offered to many groups the opportunity to attempt the realization of their ideas for reform. The definitive breach in the old system was made in 1788 when Louis XVI, facing bankruptcy, was forced to call the old French representative assembly, the Estates-General, to ask for money. In the agitation that accompanied the election of the Estates, hundreds of pamphlets were published, and when the people in electoral assemblies voted for representatives they also drew up written documents, called *cahiers,* for the latter's guidance. In the pamphlets and in the *cahiers* every shade of

grievance and opinion among the various classes was expressed, from the proposals of conservative nobles that an aristocratic constitutional monarchy be established to the desires of the illiterate peasants for the abolition of oppressive manorial dues. These desires, interests, and ideas of the various classes (the nobles, the clergy, the middle class, the proletariat, and the peasants, not to mention subgroups within each class) formed a dynamic complex which still fascinates the specialist. We, oversimplifying again, shall emphasize the ideas and accomplishment of the middle class and its associates.

The Estates-General held its first meeting on May 5, 1789. It was the king's intention that each Estate—the First Estate being the clergy, the Second Estate the nobility, and the Third Estate the rest of the nation—meet separately and have one vote. As the upper clergy of archbishops and bishops might dominate the First Estate, and the conservative nobles controlled the Second Estate, the conservative elements in the assembly, representing only a few people in the kingdom, could outvote the middle-class representatives of the Third Estate two to one. Within seven weeks, however, the representatives of the middle class and of the lower clergy, supported by a few liberal nobles, defied the king, declared that they constituted a unitary National Assembly, and that they would not disperse until they had granted France a constitution. With the help of two uprisings of the people of Paris, in July and October, 1789, they imposed their will on the king.

The middle-class representatives were now free to draft a constitution which embodied the liberal ideas which had been evolved in the ferment of discussion in France during the preceding half century. Prefixed to this Constitution of 1791 was a Declaration of the Rights of Man, which read in part:

> Men are born and remain equal in rights. . . . The aim of every political association is the protection of the natural and imprescriptible rights of man. These rights are liberty, property, security, and resistance to oppression. The source of all sovereignty is essentially in the nation. . . . All citizens have the right to share personally, or by their representatives [in the formation of the law].

On the basis of these international principles, the French Assembly established for Frenchmen liberty, equality, and constitutional government. The liberties: freedom from arbitrary arrest and imprisonment, freedom of speech and press, freedom of assemblage and petition, and religious freedom. The equalities: equality before the law—crimes, trial procedure, and punishment would be the same for everyone; no nobles—titles of nobility were abolished; manorial dues, services, and obligations owed by the peasant to the nobles and clergy were done away with

(compensation was to be paid by the peasant to the noble, but this too was later repealed); taxation was to be proportionate to wealth and income; careers in public office would be open to all without reservation for a few. The constitutional government: the executive power was entrusted to a king and ministers, checked in a variety of ways, the legislative power to a single-house legislature elected by middle-class, property-qualified voters, and the judicial power to an independent judiciary. France, in accord with the ideas of Montesquieu, was now trying the method of reform known as constitutionalism. The bankruptcy of the government also constrained the assembly to confiscate for the use of the state all the landed property of the Catholic Church, and then virtually to subordinate the Church to the state. All these reforms of two years constituted an immense accomplishment. The king was limited, the power of the nobles and upper clergy was destroyed, and France was free.

In this topic we are tracing, in part, how liberty started to spread from England and the English-speaking lands to the rest of the Western world. In 1791, France was now in a sense a bridgehead of liberalism on a hostile aristocratic-absolutist continent. Under the new French constitution, a Legislative Assembly was elected and began to meet in October of that year. But the reforms were not yet firmly established in French habit and tradition. There were, moreover, many Frenchmen who were hostile to the revolutionary changes—the refractory Catholic priests, for example, who refused to accept the state organization of the Church; the *émigré* French nobles, who had left France to live in foreign capitals and who tried to induce foreign powers to come to the assistance of the French king; and the king and queen themselves, who secretly corresponded with foreign rulers and urged them to invade France and overthrow the Assembly. The leading middle-class party in the Assembly, the Girondists, convinced themselves that only through a foreign war could they check this counter-revolutionary activity, consolidate their own position in French politics, and dominate the assembly, the ministry, and the king. They also spoke of spreading the benefits of liberty and equality to the oppressed peoples of Europe. Using the counter-revolutionary activity of French emigrant nobles as an issue, the Girondists were able to persuade the Legislative Assembly to declare war on Austria on April 20, 1792. Prussia at once came in on the side of its Austrian ally, and within a year France alone was pitted against all the states of Europe, including Great Britain. But France was potentially the most powerful European country. After the French suffered initial defeats and executed their king and established a democratic republic, French democracy, as represented by the conscript mass

armies, victoriously poured into Belgium, into Holland, into the Rhineland, and over the Alps into Italy. And wherever the triumphant French armies went, there also went abolition of serfdom, equality before the law, religious freedom, and the establishment of satellite republics with constitutional institutions modeled after those of France.

XXII

NAPOLEON GUARANTEES MODERATE REFORM IN FRANCE AND SOWS SEEDS OF REFORM IN EUROPE

Although the French armies were victorious abroad, the French government at home was not stable. France passed from a liberal democratic republic (1792), to a radical democratic republic (1793), to a wartime committee dictatorship (1793-94), to a middle-class constitutional republic (1795-99). By 1799, the people were weary of change, of instability, of war, and also of political corruption and domestic misrule. Under these conditions it was fairly easy for a popular military chieftain named Napoleon Bonaparte to seize power for himself.

There were two important aspects of Napoleon's activity as a ruler (1799-1814). First, in France, he crystallized certain reforms into law and built up institutions. During the Revolution many reforms had been tried and many more discussed. It was Napoleon's task to sift out those that seemed worth while and make them permanent. In general he took from the French people political liberty, but he allowed them to retain freedom of religion, and equality of individuals before the law, and he granted them the order and efficiency of a superbly directed centralized administration. In fact, Napoleon stands for equality and efficiency. By 1814, as a consequence of the Revolution and Napoleon's reforms, France was profoundly transformed. After twenty-five years marked first by turmoil and then by consolidation, she emerged on the whole a democratic society of small landowners and middle-class merchants and manufacturers, with a centralized administration, a uniform system of education, religious freedom and equality before the law, and a tendency toward equality of opportunity and of fortune. A fundamental revolution had been carried through and was to remain permanent. Later revolutions in France concerned simply who should control the centralized administration (king and nobles, or middle class, or people) and whether the country should have freedom of speech and press.

Then in Europe, Napoleon built a great empire and pushed out into it certain French institutions. Under his rule, revolutionary conquests and reforms penetrated farther into feudal and agricultural Europe. By the expansion of his empire, he completed the destruction of the international *status quo*—of the balance of power in foreign affairs. Within his empire he promoted the ruin of legal inequality. Wherever his government went there also went abolition of serfdom, religious liberty, careers open to talent, a better administration, and an equalitarian code of law which provided for a fairer method of trial procedure. Thanks to the ideas of the Enlightenment, to the work of the Revolution, and to his own genius for organization, Napoleon had something to offer to his subject peoples. Even when his empire collapsed, the memory of his reforms, of the relative equality and efficiency of his rule, remained in western Germany and Italy, not to be extinguished for a generation.

XXIII

CONSERVATIVES BACK REACTION

Napoleon was finally overthrown in 1814 by a grand alliance of England, Austria, Prussia, and Russia. The governments of these countries (except in Russia, where the maverick Czar Alexander was temporarily a liberal) were in 1814 controlled by the conservative upper classes—by the kings, the nobles, and conservative statesmen. The ideas of these men had been shaped by their position in life and by their more recent experiences. They had just been through a period of war and territorial overturn in which an explosive, aggressive France had dominated the continent. They naturally desired peace, stability, and an arrangement of boundaries that would hem in France and also assure an even balance of power among the great states. The conservative statesmen had also passed through a period of popular turmoil in which the people of France, occasionally by mob violence, had set up popular governments and had deprived the upper classes of their property, privileges, and sometimes their lives. Conservative statesmen, watching these events and dreading the possibility that they might be imitated in their own countries, came to distrust the people and to fear their power and the outbreak of mob violence. They came to associate liberal institutions with disorder, to think that freedom meant anarchy.

In accord with these ideas or emotions, conservative statesmen sought to restore the more agreeable domestic and foreign situation that had existed prior to the French Revolution. The returning king

in France, Louis XVIII, it is true, was shrewd enough to allow Frenchmen to retain the benefits of the Revolution, and France in a sense remained the bridgehead of liberalism. But elsewhere on the continent the rulers undid the work of the Revolution and of Napoleon as far as they were able and suppressed liberal and radical agitation everywhere. They set up, in domestic affairs, their aristocratic-absolutist system—legal inequality, absolute monarchy, and illiberal repression. In foreign affairs, conservative diplomatic representatives at the Peace Congress of Vienna (1815) arranged the map of Europe to compensate the victors, to hem in France, and to establish a stabilizing balance of power. It was thought that if the great states were equal in power, no one state could hope to dominate the rest, and war would be unlikely. In the arrangement of the boundaries, the national feelings of the Italians, Germans, Belgians, Norwegians, and Poles were on the whole not understood and were largely ignored. The conservative statesmen then organized a Quadruple Alliance (Austria, Prussia, Russia, England), later joined by France, to preserve the international and domestic settlement which they had made. For the first time the great powers, either from self-interest or a sense of responsibility, thus devised an organization to guarantee the peace.

XXIV

REACTION FAILS IN THE FIELD OF INTERNATIONAL RELATIONS, NOTABLY IN AN ATTEMPT TO SUPPRESS THE THIRD RADICAL APPLICATION OF THE IDEAS OF THE ENLIGHTENMENT: THE SPANISH-AMERICAN REVOLUTIONS

On the one hand, there were on the continent certain factors making for stability of the conservative system: inertia; the weariness of the people after twenty-two years of war; a habit of obedience among the peasants; the interests and ideas of the upper classes—the kings, aristocrats, bureaucrats, and upper clergy—who desired peace and order, believed in authoritative government, and were contemptuous and distrustful of the people and liberal institutions; upper-class control of the governmental machinery, including the police force and the courts which could be used to repress rebellion; upper-class control of foreign policy and of the Quintuple Alliance, which could be employed to cooperate with the state's police force to put down insurrection. On the other hand, there were certain factors making for change; discontent caused by the oppression and inefficiency of the conservative

regime; liberal memories of the rule of Napoleon and of the doctrines of the French Revolution; the interests and ideas of members of the middle class, who agitated for freedom of opinion, of speech, of press, and of religion, and for parliamentary and constitutional government in which they might participate; the interests and ideas of members of the city proletariat, who in the more advanced countries clamored for the vote; and the sentiments of those national groups (Belgians, Italians, Germans, Poles) who had been ignored at the Congress of Vienna and who wished to be united under their own government and to be free from alien rule. Since the conservatives, except in England, would not yield gracefully and gradually to the wishes of the classes beneath them but insisted on maintaining inflexibly their privileged position, there occurred a series of revolutions of the middle and proletariat classes and of national groups against the conservative hold. For decades an unrelenting struggle took place between the discontented groups and the kings, nobles, and conservative statesmen who tried to maintain their regime.

The first revolts, which occurred in 1820 in Spain, Naples, and Portugal, succeeded locally in each country, but were suppressed when the international alliance of the great powers sent Austrian troops into Naples and French troops into Spain. The revolt in Portgual then also collapsed. Nevertheless, during the suppression a rift in the alliance appeared when England refused to approve foreign intervention in Naples and Spain.

The rift widened when the reactionary continental powers considered aiding Spain to subdue her rebellious American colonies. This secession of the Spanish and Portuguese-American colonies from the mother-countries in the early 1800's had marked the second successful attempt of overseas centers of European civilization to set up housekeeping for themselves. It may be recalled that south of the Rio Grande there had evolved a society that was Spanish (or Portuguese) in language and culture, Catholic Christian in religion, mixed in race, and undemocratic socially and politically. Three fourths of the people were Indians or had Indian blood. The entire population was largely illiterate: nineteen of twenty could not read. Nevertheless, members of the upper class of colonial whites, the creoles, were educated and had long-standing grievances against Spain. They resented the reservation of the best posts in the colonial administration for Spaniards; they disliked the heavy Spanish taxation; and they hated the strangling mercantilistic restrictions on their trade and production. Some of them had read the liberal authors of the Enlightenment—Voltaire,

Montesquieu, and Rousseau, Adam Smith, and Jeremy Bentham—and had in any case been stirred by the American example. When Napoleon in 1808 enticed the Spanish royal family across the border into France and then imprisoned them, the creoles in the Spanish colonies on the American mainland organized self-governing committees and then declared their independence. In accord with the prevailing ideas of the time, they established republics. But the people had had no training in free institutions, the general conditions of illiteracy and social stratification were unfavorable, and the governments became republics in form, but dictatorships or oligarchies in fact.

Nevertheless, the colonists were considered to be republicans and rebellious subjects, and when in 1823 the Spanish king appealed to the reactionary powers of Europe for aid to suppress them, France, Austria, Prussia, and Russia looked with favor on the idea. Britain, however, was profiting from the opening of the Spanish-American trade to foreigners, and interposed a veto in the form of the British navy. And James Monroe, President of the rowdy, up-and-coming democracy of the West, boldly (behind the bulwark of the British navy) proclaimed that the Americas were no longer subject to future European colonization and that any attempt of the conservatives to extend their system (absolute monarchy, legal inequality, and illiberal repression) to the new republics would be considered an unfriendly act by the United States. England and the United States thus blocked the extension of conservative reaction to overseas areas of the Western world. England, moreover, had thus definitely severed relations with the Quintuple Alliance.

This alliance completely fell apart over differences of opinion among the great powers concerning the Greek revolt against the Turkish sultan. England, France, and Russia, from mixed motives of sentiment and self-interest, sided with the rebellious Greeks. With the Quintuple Alliance, the chief international agency of conservative repression, thus thoroughly shattered by 1829, it remained to be seen how well the monarchs, the nobles, and the conservative statesmen would fare in their continuing battle against the dissatisfied groups. We shall divide the discussion into two main sections: first, how England and English-speaking countries moved ahead toward greater liberty and democracy; and second, what became of liberalism on the continent. We shall begin with England where we left her, in the early eighteenth century.

XXV

THE GROWTH OF A WORLD ECONOMIC COMMUNITY, AND ITS PHILOSOPHER, ADAM SMITH

England in the early eighteenth century was an agricultural, commercial, and handicraft society with a liberal, representative tradition and with laws and regulations adapted to those basic facts. The English, it may be recalled, had accomplished their revolution a century before the French. England had emerged in 1689 from the constitutional crisis of the seventeenth century with Parliament and guarantees to individual liberty firmly established. The House of Commons, however, was composed of country gentlemen and merchants who possessed property, and was not yet chosen in any considerable degree by popular election. These groups governed England not too unwisely, but they naturally governed for the benefit of the landed and merchant interests to which they belonged. The agrarian influence can be detected, for example, in the continual attempt to lower the property tax on land and in the levying of an import duty on wheat. The interests of the merchants, handicraftsmen, and the state were reflected in the mercantilistic attempt to organize, through regulation, Britain and her colonies into a self-sufficient economy which would operate to increase the wealth of the mother country. Some of these regulations may be recalled: the provision that the exports of the colonies must be carried in British or colonial ships; the limitations on colonial trade with foreign countries; the prohibition or restriction of colonial manufactures; and, the attempt to maintain the quality of British products (such as woolen cloth) by prescribing in detail the methods of craft manufacture. Other regulations were likewise adapted to or were possible in a handicraft society, which did not require great masses of factory labor at any single point—the Poor Law, for example, by which each parish was made responsible for its poor, and by which any parish could expel a pauper who was not a native of that parish and force him to return to his original parish; or the Apprentice Act, according to which no person could exercise a trade in Great Britain without first serving an apprenticeship of seven years.

Now, place in this community an expanding population, which means a larger home market, and an expanding foreign commerce. In fact, throughout the Western world, for that matter, since the eleventh century, there had been a growing population, a growing commerce, and an enlarged area of exchange. It may be recalled that in the Middle Ages the basic area of exchange was the town and the surrounding rural

area. In early modern times, the area had enlarged to include the nation and its colonies, and the mercantilists were in a sense the organizers of the nation-colonial unit. But even before and during mercantilism trade and traders in search of profit had always spilled beyond the nation's boundaries, and that internation trade had tended to increase until in the eighteenth century there was in formation a world-economic community, a world market. Economic reality, in other words, came to diverge from, to outgrow, mercantilistic law. In that situation, when law no longer corresponds to economic or social reality, discontents are apt to arise as people in their new position or activities bump into the restrictions of old law. Thus, as we have seen, the New England colonists in their increasing international trade with the French West Indies encountered the British mercantilistic restrictions on that trade, and when these restrictions were enforced the colonists became discontented and moved toward revolution. Behind the American Revolution were several factors, but one was the growth of an international, mercantile, economic community.

In that situation, too, there appeared in Great Britain a philosopher of this world-economic community, named Adam Smith. He philosophized about the process of exchange in a world market, where each country takes into the market surpluses of goods which have no value at home and trades them for surpluses of other goods brought into the market by other nations. He remarked that tariffs, the old mercantilistic-colonial regulations, and the laws prescribing methods of manufacture, by cramping production and commerce, were reducing national income. He predicted that if the mercantilistic regime were gradually relaxed, and colonial free trade were introduced, both the colonies and England would enjoy greater prosperity than before.

He said in effect that if people were allowed to produce and trade freely, people would produce and trade more, and the wealth of nations would increase. The events following the American Revolution seemed to Smith's contemporaries to demonstrate the truth of his criticism of the colonial-mercantilistic system. For on the very morrow of the war, British trade with the American colonies was more flourishing than ever before. Perhaps it was not just a coincidence that the Declaration of Independence and Smith's *Wealth of Nations* appeared in the same year. They were, in part, a response to the same situation: a world-economic community outgrowing the bonds of old mercantilistic law.

Smith's doctrine of economic freedom, however, would probably have been without great influence except for a circumstance of major importance. As he was writing, the expansion of trade and of the area of the market, operating on a certain level of technical advance,

was in Great Britain producing that transition from manufacture of goods by hand and a few tools to manufacture by machines which had transformed modern industry. This industrial transformation in turn created two new classes whose self-interest and discontents brought them to the support of Smith's views. How this worked out, we shall discover in the next two topics.

XXVI

THE INDUSTRIAL REVOLUTION IN GREAT BRITAIN

From the year 1000 to 1750, numerous inventions and refinements on inventions had been introduced into the Western world, either from abroad or by native innovation. Some of these inventions have been already mentioned: the windmill, the manufacture of paper, the mechanical clock, the printing press, a decisive improvement in the making of glass, and the magnetic compass. In a single industry—the textile, for example—the spinning wheel, the treadle loom, the knitting frame, and the flying shuttle had appeared. Where nonhuman or nonanimal power could be applied, as in mining or smelting, water or wind power was employed.

The expansion of trade and of the market had promoted further refinement of the processes and subdivision of labor. In a small market, as in a medieval town, it was not always possible for a single man to specialize, say, in the manufacture of pins. The market would not absorb, would not buy enough pins to keep him alive through the year. But as the market enlarged in the Western world, it purchased, by the eighteenth century, enough pins to keep not only a single man busy and prosperous but shops full of men busy making pins. In that case the process could be divided into eighteen steps—one man could draw out the pin, one could point it, and so on. But simplification of the process invited the invention of the machine; this actually happened. The expansion of trade also, in some instances, brought pressure on the artisan to keep up with the demand. This was visible in eighteenth-century Britain. There, salesmanship of British merchants driven by a desire for profit had increased the demand in Britain for raw products—rice, tobacco, coffee, tea—imported from overseas. Salesmanship of British merchants had also increased in Britain, on the continent of Europe, and overseas—in brief, in a world-wide market—the desires of consumers for British-manufactured wares, especially textiles. There was pressure on British artisans to produce enough goods. Prizes were offered for better methods of manufacture in certain key processes, as in spinning. Moreover, certain new industries—cotton spinning and

weaving, iron manufacturing, and pottery making—had grown up outside the realm of governmental, mercantilistic regulation. They were not fettered by tradition or by governmental rules prescribing methods of work. They were, so to speak, a field for invention and for every kind of initiative. So it is usually said that economic demand working on a certain level of technical advance in a country of relatively plentiful capital gave rise in the eighteenth century to the invention and use of machines in the new cotton textile, iron, and pottery industries. Soon, also, a new source of power, steam, was applied to these industries.

Even before machines were applied to industry, textile operatives had sometimes been gathered together for supervision and convenience into mills or factories, and large amounts of capital had been applied to industry. The application of the machine accelerated these two trends—toward factory organization and industrial capitalism—and indeed made them imperative. The application of machinery greatly increased production, cheapened cost, and lowered price, and thus gave rise to an astronomical increase in demand and to a tremendous commercial expansion—thus continuing other tendencies already apparent. The entire change—the transition from manufacturing by hand and a few tools to manufacturing with power-driven machinery—was gradual. It occurred first in the new industries and spread only gradually to other fields. The entire process of transforming British industry, in fact, took the better part of a hundred years—roughly, from the mid-eighteenth century to the mid-nineteenth.

Nevertheless, by 1820 the development of machine industry was sufficiently advanced to exert a significant influence on British economy, British social structure, and British policy. Three effects on British economy may be noted here. First, the type of article manufactured changed. Cottons passed woolens, the traditional leader; iron and steel rose to third place in importance. These three constituted two thirds of the exports of England by the end of the first quarter of the nineteenth century. Secondly, the amount and source of raw materials changed radically. England's importation of raw cotton, as revealed in the following tables, illustrates this.

AMOUNT OF RAW COTTON IMPORTED BY ENGLAND

Years	*Million Lbs.*
1771–1775	4¾ (*average*)
1782	12
1792	33
1802	57
1822	143

SOURCE OF RAW COTTON IMPORTED BY ENGLAND

	Years	Percentages
West Indies	1786–1790	71
	1796–1800	35
Mediterranean	1786–1790	20
	1796–1800	18½
Brazil	1786–1790	8
	1796–1800	11½
United States and India..	1786–1790	1
United States	1796–1800	24
India	1796–1800	9

By 1826 the United States was supplying 75 per cent of England's cotton imports. Thus the amount of cotton needed rose by mathematical progression, and the source of this raw material changed from Empire areas to non-Empire. A similar development occurred to a greater or less extent in other fields. Obviously the Empire could not supply Britain with raw materials. Thirdly, the amount of goods produced in Britain and the location of British markets changed radically. In 1783 the value of cotton manufactures exported scarcely exceeded a few hundred thousand pounds sterling; and in 1820 it was sixteen million pounds. Internal consumption rose in similar fashion. Exports to the Empire in 1820 constituted less than one third of England's total export trade; by that date the United States was England's best customer. Obviously the Empire could not supply markets for the amount of goods produced.

The changes in British industry also affected the structure of British society by giving rise to two new groups, the industrial capitalists and the industrial proletariat. The new industrial capitalists, rough, energetic, aggressive men, were organizers of large-scale factory production. They organized capital, inventions, and labor into large-scale producing units, and, if successful, reaped tremendous profits. They rose, frequently from poverty and obscurity, to key economic leadership and to social position. The industrial proletariat were the city factory workers, who, cruelly exploited, labored long hours for low wages under the drive and discipline of their capitalist employers. As the phrase "city factory workers" implies, the changes in industry also brought in England shifts in population: from the country to the city; and, since these new factory cities developed near the coal and iron deposits of north-central England, from southern England to the north-central section. These changes in British economy and society, working along with other factors in British life either already existing or new, led in turn to reform of British institutions and to alteration of British policy, points which we shall discuss in the next topic.

XXVII

CHANGES IN BRITISH INDUSTRY LEAD TO REFORM

Reform of the system of parliamentary representation had long been needed and had been considered in the last quarter of the eighteenth century, but had been blocked by those groups who had an interest in maintaining things as they were and by the distraction and conservative reaction associated with the French revolutionary wars. Discussion of the issue was kept alive, however, by liberal philosophers like Jeremy Bentham who argued that as long as Parliament represented the few, it would vote the interests of the few, but that liberal democracy would promote the greatest happiness of the greatest number. He reasoned (and it was the general liberal thought of the time) that if the people were enlightened by education and free discussion they would as rational beings choose the wisest men as representatives. These in turn, as enlightened representatives, would vote the measures which would promote the interests of the people—that is, the greatest happiness of the greatest number. The problem of government was as simple as that, and how could it go wrong?

To the support of the liberal economic and political ideal of Smith and Bentham were brought the energy and self-interest of the two new, vigorous classes, the industrial capitalists and the industrial proletariat. The capitalists discovered that their new activities as organizers of large-scale machine production brought them into conflict with the regulations adapted to a landed, commercial, and handicraft society. They needed (as the figures given above suggest) large quantities of raw materials, large masses of cheap factory labor, enlarged foreign markets to consume the mountain of goods the machine produced, and freedom to adopt new machine devices. But they discovered their access to raw materials limited by the mercantilistic regulation that certain items, like raw cotton, must be purchased only in English colonies and transported only in English or colonial ships; the freedom of labor to move to factory areas and factory employment hampered by the Poor Law and Apprentice Act; the food costs of factory workers (and hence perhaps their wages) raised by the English import duty on grain; the size of the foreign market diminished by foreign tariffs on English manufactured goods and also by the English import duty on grain (since foreign countries could sell less wheat to England, they had fewer English pounds to buy English goods); and the freedom to use new methods checked in the older industries by regulations prescribing methods of work. At every point, the organizers of large-scale production, buying their raw materials in a world market and selling their

finished products in a world market, clashed with the restrictive regulations of mercantilistic law, based on the theory of the nation-colonial unit. Moreover, the British manufacturers had in machine production an asset which would permit them to undersell any competitor in any market. From self-interest, therefore, they believed in economic freedom, at least for themselves, and in the doctrines of Adam Smith.

Through lobbying the manufacturers were able to induce Parliament by 1805 to repeal the Apprentice Act and the laws prescribing methods of work and to modify the Poor Law, and in the 1820's to lower some tariffs and to moderate the provisions of the mercantilistic Navigation Acts. But when the manufacturers pressed for final, definitive repeal of the Navigation Acts and the abolition of the import duty on grain, they came up against the vested shipping and landlord interests in Parliament and were blocked. Naturally, the industrial capitalists agitated for a reform of Parliament that would grant them and the city manufacturing districts representation, that would give the capitalists a political power commensurate with their new economic power.

To this demand for parliamentary reform, the industrial proletariat, the class of city factory workers, added the pressure of numbers and at times of riotous violence. These factory workers, cruelly exploited by their employers, had tried to form trade-unions, only to have unions outlawed by Parliament. The price of their daily bread, too, was raised by the tariff on grain. After the Napoleonic wars, the workers turned to political agitation—to obtain the vote in order to secure the measures that they desired.

To this combined pressure of idealists like Bentham and of interested groups, the ruling aristocratic oligarchy in Parliament finally in 1832 yielded far enough to extend the franchise slightly and to rearrange the constituencies for Parliament. The effect was to admit the manufacturers to the ruling class, and to loose pent-up reforms. (The franchise was later extended in 1867 to the city working classes and in 1884 to agricultural laborers.) After a vigorous battle, the import tariff on grain was repealed in 1846 (the Waterloo of the landed interests), and the Navigation Acts were repealed in 1849, thus establishing free trade for Britain and bringing law into harmony with the desires and apparent interests of an advanced industrial society. These measures, in effect, marked the culmination of a change in British policy—a change by which Britain, under the pressure of the manufacturers, largely discarded regulation, as a means of guaranteeing raw materials and markets, for reliance on economic superiority and open competition, and a change by which an old mercantilist empire based on restriction was replaced by a world economic empire based on free

trade. The repeal of the Corn Laws also meant that Britain was to become the workshop of the world, dependent on shipping for food. Thus command of the seas was an absolute necessity.

XXVIII

ALTERATION OF BRITISH POLICY EXTENDS TO THE BRITISH EMPIRE

The alteration of British policy, as we have suggested, affected not only Britain but also its Empire. By the second quarter of the nineteenth century the British Empire was composed of four major types of units: units in which English institutions predominated; units in which European civilizations other than English predominated; units of non-European but advanced civilization, such as India; units in which primitive peoples existed. The repeal of the Navigation Acts and the establishment of free trade had placed the relations of Great Britain with all her colonies on quite a different economic basis from that which had existed in the eighteenth century, and had made of the British Empire a huge free-trade, open-door area in which every merchant, no matter what his nationality, was free to come and go on a legally equal footing. At the same time the political basis of Britain's relations with colonial units of the first type was also altered when, as an outgrowth of a Canadian revolt in 1837 and of Lord Durham's report in 1839, responsible self-government was worked out in Canada by Lord Elgin's simply effecting it through his administration. Self-government was extended to the Australian states and to New Zealand in the 1850s, and to the South African colonies in 1872-1907. The existing provinces of Canada were federated in 1867 into a single Dominion, and a similar process occurred later in Australia and South Africa. In areas of the Empire where English traditions and institutions had not yet taken root (the remaining three types of units) the general trend was to move slowly toward responsible self-government, either by introducing English institutions and training the natives in their uses, or by a policy of evolution toward responsibility through cultivating native institutions (Indirect Rule).

By the mid-nineteenth century, Great Britain was riding on top of the world. Her head start in machine industry made her industrial plant the marvel of the time and enabled her merchants to undersell the traders of other nations on world markets. Her merchant marine dominated the carrying trade. Her investments abroad rendered her the greatest creditor nation of the day, and London's City became the

planet's financial center. The international situation was easy; of her old enemies, Spain had lost her colonies and was in decay, Holland was small and content with the East Indies, France was absorbed in internal disputes and had turned her colonial energies to North Africa; Italy and Germany were disunited; Prussia and Austria were busy with internal affairs and in foreign policy relatively quiescent; the United States, Japan, and China were not yet factors in international politics. Russia was the only state that gave Britain serious concern. In this situation she could expand her Empire and trade without a major war and defend them by naval supremacy. She used her power, economic, naval, and imperial, to end uncreative civil and tribal strife, as in India and Africa, and to promote unhampered world exchange of commodities by keeping the seas open to trade, by extending the area of free trade, and by abolishing where possible monopoly ashore. This was the climax of nonmonopolistic, antimercantilistic imperialism.

XXIX

THE UNITED STATES CROSSES THE CONTINENT, MAINTAINING CONSTITUTIONALISM AND, BY FORCE, NATIONAL UNITY

In the nineteenth century another English-speaking country, the United States, acquired enhanced power through expansion and immigration and decided the question of national unity in a civil war. Her history and development were different as those of each country are different from any other, but parallels can be drawn to illustrate the fact that, in her own way, she reflected the common tendencies of the Western world in the nineteenth century as she had done in the eighteenth.

Like Russia, Australia, South Africa, and Canada, the United States gradually expanded in areas contiguous to her original kernel of settlement. She took part of Florida and bought the rest, as well as the great Mississippi and Missouri valleys; annexed the Republic of Texas; settled her northern boundaries with Britain; and conquered the Southwest from Mexico. This vast area was governed under a modified British crown-colony system, with refinements that prevented the independence of the central government—fatal in the case of the thirteen colonies—and was ultimately assimilated into the Union.

In the years between 1776 and 1860, the United States expanded her area of trade, too, to include China, India, and the East Indies. And she imported the industrial revolution.

Moderate advances were made in the forms of political democracy, chiefly in the broadening of the suffrage; the occupation of the public lands offered some opportunity for economic freedom to the poor. But chattel slavery of human beings remained, and became, along with the tariff, a political issue between the South and the North.

When the admission of new states made the Southern states a minority, they tried to secede from the federal union and were defeated in a civil war. As in Germany and Italy, national unification was effected by arms. The federal victory secured the legal equality of the Negro in federal law, and it attested that a "nation conceived in liberty and dedicated to the proposition that all men are created equal . . . can long endure." Although the fruits of the victory were temporarily gathered in the North by the new industrialists (as in England), and the old ruling class in the South soon recaptured power in its section, the forcible unification of the United States did not destroy, but rather strengthened, constitutionalism and the natural rights of man (which seemed triumphant in Western Europe also) and that modification of the English machinery of government which Americans had made to work. The institutions of a liberal, representative republic would continue to exist and to be operated in an increasingly powerful single country.

XXX

ON THE EUROPEAN CONTINENT: THE REVOLUTIONS OF 1830 AND 1848 AND THE UNIFICATION OF ITALY

As we look back we can see that the ideal of liberal democracy came closest to realization in the United States. There conditions were most favorable: a long liberal, representative tradition; the presence of free land offering opportunity to all; the absence of king, nobles, established church, and peasants owing dues. After the United States, England most closely approached the ideal of political and economic liberalism. There a king, nobles, and Established Church were more than balanced by a long liberal, representative tradition, and by an advanced commercial and industrial economy giving rise to classes whose liberal and democratic desires could not be entirely ignored. But on the continent of Europe, we have to see what becomes of liberalism and democracy in countries whose liberal traditions are progressively briefer, whose conservative traditions become progressively stronger, whose economy becomes increasingly agricultural, and whose class structure becomes more simplified as we move from west to east, from France to Russia.

It may be recalled that on the continent the conservative kings, nobles, and statesmen were standing off the demands of the middle class and of the city proletariat (where they existed), and of the national dreamers of Belgium, Germany, Italy, and Poland. In 1830, revolutions flared up in France, Belgium, and the lesser states of Italy and Germany, and in Poland. In Belgium and France, where the old commercial and financial middle class was strengthened by the accession of industrial capitalists thrown up by the Industrial Revolution, and was supported by the riotous menace of a growing city proletariat, the middle-class liberals were able to establish a constitutional monarchy on the English model. But elsewhere, east of the Rhine, where liberalism was hampered by an even more backward industrial structure and even stronger conservative traditions, the uprisings were crushed.

In 1848 revolutions flared up again, even more widespread than before, in France, in practically all the states of Italy and Germany, and in the conglomerate domain of Austria. Almost without exception they failed. The French established a democratic republic, only to make the mistake of electing as president a nephew of the great Napoleon, Louis Napoleon, who imitated his uncle and established a dictatorship or empire. In Central Europe, the king of Sardinia granted a truly liberal parliamentary government, and the king of Prussia granted a pseudodemocratic constitution. But elsewhere, all the violence and bloodshed, all the excitement and hopes proved vain, and when the smoke of revolution had cleared, the conservatives east of the Rhine were still in the saddle.

After 1848, nationalism became as important as liberalism in the European mind. It came to dominate the foreign policy of France, built national states in Italy and Germany, and influenced the course of events from the United States to Austria and Russia. With nationalism's victories, certain liberal and democratic hopes were also realized, but Mazzini's dreams of a great world commonwealth of national republics had vanished.

After 1848, in international politics, the first ten years of Napoleon III's Second Empire (1851-1870) saw the last great triumphs of France as the decisive factor in European diplomacy, with the humiliation of Russia in the Crimean War and the French intervention against Austria in Italy. This decade also witnessed the unification of Italy under liberal, if not democratic, leadership. Although Italians spoke the same language and had a common cultural heritage, they had never been united under a single national government. In 1815, Italy was a land of six or seven small states, each arbitrarily and despotically ruled, and each, except for the Kingdom of Sardinia, dominated by Austria. Any Italian

nationalist who wished to unite Italy would have to overcome the jealousy and independence of the various local dynasties, the opposition of Austria, and the division of Italian patriots into constitutional monarchists and republicans. Mazzini, an Italian republican, had in 1848 tried to accomplish union through popular, republican insurrection, only to be broken by the coolness of middle-class monarchists and the power of Austria. Cavour, the liberal, unspeakably adroit prime minister of the new parliamentary Kingdom of Sardinia, then began his intrigues. He won over most of the republicans; he constructed a small but efficient Sardinian army; and he induced Napoleon III of France to intervene against Austria in Italy. Through a masterly diplomatic campaign and a brief war, Cavour was able by 1861 to unite nearly all of Italy under the Sardinian House of Savoy. The government for the united Kingdom was a liberal, parliamentary monarchy on the English model. The franchise was restricted to those who possessed a certain amount of property. Only gradually, by laws in 1882 and 1912, was universal suffrage attained.

XXXI

ON THE EUROPEAN CONTINENT: GERMANY BECOMES A NATIONAL STATE AND A DOMINANT GREAT POWER CONTROLLED BY CONSERVATIVES; FRANCE, AFTER A HALF CENTURY OF VACILLATION, BECOMES A REPUBLIC

Germany, unlike Italy, was unified under conservative auspices. For this outcome there were many reasons, since the German situation was more complex than that of any country we shall study. Germany was in central Europe, and in it in the nineteenth century the dynamic ideas and inventions of Western Europe met the static feudal, aristocratic, authoritarian organization of Eastern Europe; or in terms of creeds and classes, the liberalism of an awakening middle class and the democracy of a growing city proletariat encountered the resistance of the great conservative noble landlords and of the autocratic princes and king. In the situation were also the dynastic pride of the rulers of the smaller German states, the particularist loyalties of their subjects, the rivalry between the two great German states—Austria and Prussia, and the interests of the foreign powers—France, England, Denmark, and Russia.

All these complex elements become involved when we try to explain why the liberals failed to unify Germany. For one thing, German liberalism was of recent growth. There was no liberal movement of

any consequence in Germany in the middle of the eighteenth century. Nor was there any strong national feeling. But gradually liberal ideas entered Germany from England and France and were also developed natively, as by Humboldt. National feeling was aroused among the educated classes by the great German creations in the world of spirit—the creations of Mozart and Beethoven in music; of Lessing, Schiller, and Goethe in literature; of Kant, Fichte, and Hegel in philosophy; and by the military triumph over the French in the final defeat of Napoleon. The outcome of the German War of Liberation against Napoleon, however, was a disappointment to liberal nationalists. The German Confederation that was established by the Congress of Vienna in 1815 was in effect a loose league of German princes in which the central organization possessed no real power.

The program of liberal nationalists varied in details among individuals, but in general they came to desire after 1815 an effective national government established by a written constitution providing for a hereditary monarchy, a representative assembly, ministerial responsibility, and civil liberty. But the problems the German liberals faced in seeking to realize their ideas were immensely complicated. As there was no German national state or central administration, they faced the double problem of creating a state and of gaining control of it. English and French liberals had never faced a situation like that: in those countries, the state already existed, the liberals needed only to win control. In creating a national state the liberals encountered, moreover, the dynastic pride and self-interest of the local princely rulers who wished to remain independent and sovereign, and who were supported by their courtiers, administrators, and all others dependent on their favor, and by the local loyalties of their subjects. Then, too, there was the problem of devising a German organization that would accommodate or solve the problem presented by the rivalry of Austria and Prussia. In a German union, neither Austria nor Prussia would accept subordination one to the other; and neither would voluntarily accept exclusion. To create a national German state, to overcome particularist opposition, and to impose a settlement on Prussia or Austria or both, force was probably needed. This the liberals lacked. They were relatively weak in numbers, as the middle class (when compared with the same group in England, France, or Beligum) was not very large or very wealthy. Germany, in the first four decades of the century, was still largely agricultural. The Industrial Revolution entered late. The liberals were largely university men (professors and the lawyers and newspaper editors whom they had trained), with no mass following. Moreover, when after 1840 machine industry began to give rise to capitalists, proletariat, and cities,

the liberal reformers divided into those who desired a republic and universal suffrage and those who, frightened by the specter of popular, mass rule, wished a middle-class, constitutional monarchy. What the liberals needed to accomplish the unification of Germany was control of the military power of Prussia or Austria, preferably the former. But Prussia was a militarist, bureaucratic state, whose government and army was dominated by the conservative, noble great landowners of its central and eastern sections. Austria was a police state composed of a conglomeration of nationalities and also dominated by aristocratic landowners.

All these weaknesses and difficulties of the liberals stood revealed in the Revolution of 1848. Profiting from widespread popular enthusiasm and mass demonstrations in Germany which had been set off by a revolution in Paris, the liberals frightened the princes into authorizing the election of a national, constituent assembly. The assembly was composed of able, high-minded men, and drafted a notable constitution for German union. The constitution excluded Austria, granted the hereditary imperial title to the king of Prussia, established responsible parliamentary government, and guaranteed civil liberty. But when the document was completed after a year, popular enthusiasm had cooled; Austria was hostile; the Prussian king, with divine-right obsessions, refused to accept the imperial title from the people; the Assembly had no military power of its own, and its work came to nothing.

The failures of the liberals meant, as it turned out, that Germany would be united by Prussia under conservative, militarist auspices. The man who drove the unification through was the Prussian Minister-President, Bismarck, who was descendant of a long line of noble landowners and who shared the aristocratic ideas and pride of his class. But Bismarck was no ordinary Junker. A master diplomat, he was always aware of the elements of power in a situation. In foreign policy he knew how to arrange temporary combinations of power which would yet assure the dominance of Prussia or Germany. Similarly, in domestic policy he knew how to arrange shifting combinations of social groups which would yet enable him to construct and maintain a conservative German state. By his diplomacy, supported by a superbly reorganized Prussian army, he was able to isolate Austria and pick a war with her in 1866. This drove Austria out of north German affairs and united the northern states, some of them by force, under Prussia. The same careful diplomatic and military preparation enabled him to bring the south German states into his defeat of France in 1870-1871. All Germany, except Austria, he united into the German Empire. This united

country, in fact, now succeeded to France's traditional position as the strongest power on the European continent.

The German union had been effected by force, by Prussia, and by a conservative government over the early opposition of the lesser princes and of the liberals. Nevertheless, Bismarck in his triumph recognized the strength of particularistic and of liberal, democratic sentiments in the country. So in the monarchical constitution which he devised for the new Germany, Bismarck made concessions to these elements, while yet assuring that Prussia and the conservative upper classes would retain effective control. The new German Empire was a federal state, composed of Prussia and the other German states, except Austria. The executive power was entrusted to an hereditary emperor, who was also the king of Prussia. He was assisted by a chancellor, whom he appointed and whom he removed. To the princely rulers of the separate states, Bismarck granted the Upper House of the legislature, made up of delegates appointed by each prince and voting in accord with his instructions. But Bismarck made certain that Prussia would have by far the largest single delegation. To the democrats he granted a Lower House elected by universal manhood suffrage. But the powers of this House were restricted. It neither made nor unmade ministries, as the chancellor was responsible to the emperor and not to the legislature. Its consent was required for new taxes, but not for the old. With the Upper House it voted appropriations, but those for the army were voted for a period of years. Thus Bismarck assured that effective control of the government rested with the emperor and with those conservative, usually noble groups who could influence him. Up to Bismarck's day, conservative classes in Italy, Austria, Prussia, and Russia had usually fought the spirit and manifestations of nationalism. Bismarck, a conservative, allied himself with national sentiment to create a powerful conservative state, whose government was modified only slightly by a few concessions, more formal than real, to liberalism and democracy.

France, partly as a consequence of defeat (1871) at the hands of Germany, became a republic. As we have seen, the French had accomplished their fundamental revolution by 1815. They had won equality before the law; religious freedom; freedom from arbitrary arrest, trial, and imprisonment; and a centralized administration. But they failed to establish a stable arrangement of the central executive, legislative, and judiciary branches through which the various classes and groups could peaceably adjust and compromise their conflicting interests. Various reasons have been advanced to explain this lack of institutional stability, but perhaps the most obvious factor was the narrow self-interest, short-sightedness, and intolerance of the ruling groups or indi-

viduals when they came to power. Thus the attempt of the ultra-aristocratic nobles to use the Bourbon constitutional monarchy for their own selfish interests precipitated the revolution of 1830, which established an upper-middle-class parliamentary monarchy. The narrow class rule of that upper middle class and their refusal to extend the suffrage provoked the revolution of 1848, which set up a democratic republic. The selfish ambitions of the republic's first president, Louis Napoleon, led him to establish dictatorship in the form of an empire, which collapsed in defeat. These experiences of the century had bred among many Frenchmen a distrust of class rule, a dislike of mob violence which had accompanied the revolutions, and a reluctance to grant the executive much power for fear that he might become a dictator. When, after the collapse of the Second Empire, the moderate monarchists and republicans arranged a new government, they devised a parliamentary republic whose institutions expressed some of these fears. They set up as the lower legislative house a Chamber of Deputies which was elected by universal manhood suffrage and which was to represent and to safeguard the interests of the people. Then, to exercise a conservative check on hasty or radical measures which the Deputies might pass, an upper house, or Senate, was added. It was to be elected indirectly and to be composed, in theory, of well-to-do, elderly men who would protect the interests of the upper class. In distrust of a strong executive, the president of the republic was granted little power. He was elected by the two legislative houses meeting jointly, since election by the people might endow him with too much prestige. He appointed a cabinet of ministers, but all his official acts had to be countersigned by a minister, and the cabinet was responsible to the two legislative houses. The president in effect was the presiding officer of the country. Under this check-and-balance constitution, the French preserved and extended the liberties won in the first French Revolution and attained at least institutional stability in government.

XXXII

ON THE EUROPEAN CONTINENT: AUSTRIAN AND RUSSIAN MONARCHS INTRODUCE REFORMS

Defeat in war also brought the Austrian and Russian monarchs to institutional reform. In Austria, the Hapsburg emperor, Francis Joseph, recognized in 1867 the national dreams of his Hungarians (but not his Slavs) by dividing the monarchy into two sections, an Austrian and a Hungarian, and by giving each half its own constitution, parliament, and administration. For dealing with affairs of joint concern, as foreign

relations and defense, there was a dual parliament and a joint ministry. Each half followed after 1867 a different constitutional evolution. In the Austrian half, the government was made up of a House of Lords of partly hereditary and of partly appointed members and a House of Representatives elected by voters who possessed a certain amount of property. The lower house was at first influenced by middle-class liberals who accomplished various reforms. Complete religious toleration was decreed, a public school system was established, and trial by jury was introduced. With the entrance of machine industry into Bohemia and the growth of cities and of an industrial proletariat, Slav leaders of the workers were able to force the extension of the franchise. By 1907, universal suffrage was established. But in Austria, as in the new German Empire, since the ministry was still responsible to the emperor and not to the legislature, the government still remained fundamentally an autocracy with a conservative emperor, a conservative nobility, and a conservative bureaucracy deciding basic and day-to-day policies. The Austrian government, however, did possess liberal forms, giving some expression to liberal opinion. In the other half of the Hapsburg monarchy, agricultural Hungary, liberalism made no gains whatever. There the few great conservative noble landowners controlled both the House of Magnates and the Chamber of Deputies.

Russia remained the most conservative, despotic state on the continent. Although Russia by the mid-nineteenth century had progressed since the reign of Peter the Great in the organization of the administration, the education of the upper classes, and the beginning of the creation of a great national literature, Western Europe during the same period had also advanced, and Russia still lagged behind. She was backward economically—a vast agricultural land, virtually untouched by the industrial revolution; backward socially, with only two major economic classes, the noble landowners and the illiterate peasant serfs; and backward politically—governed by an autocrat, the czar, who was influenced by noble advisers, and who ruled through the Greek Orthodox Church, a corrupt and inefficient bureaucracy, the secret police, and the noble landlords. Nevertheless Western liberal books had been read by the educated classes in Russia and Western liberal ideas had won adherents among the nobles, lawyers, teachers, writers, and officers in the army. Native proposals of reform had also been developed. In response to these new ideas and also in response to the dissatisfaction with the government occasioned by the Russian defeat in the Crimean war, Czar Alexander II (1855-1881) emancipated the serfs in 1861. This emancipation, in turn, by freeing the peasants from the discipline of the noble landlords, made some change in local administration necessary. After 1861 two sorts of local institutions were established; local courts of justice, modeled some-

what on the English system and providing for jury trial in criminal cases; and local assemblies for such matters as the management of poor relief, schools, prisons, and hospitals. The district assemblies were elected by the nobles, city people, and peasants, and the provincial assemblies by the district assemblies. But these reforms were as far as the czar was willing to go. He refused to grant a national constitution, a national representative assembly, or civil liberties. The Russian government remained an autocracy, a singularly brutal despotism, marked by graft, corruption, and inefficiency.

As we look back we can perceive that in the Western world in 1875, liberty and representative democracy grow dimmer as we move from West to East, from the United States to Russia. In Central, Eastern, and Southern Europe, liberalism and representative democracy, where they were being tried, were new. With the operations of free institutions the people were inexperienced. They were novices. In Central, Eastern, and Southern Europe, the conservative nobles were still strong and frequently controlled the government. Germany, Austria, and Russia were still fundamentally irresponsible autocracies in which a single uncontrolled individual, the monarch, influenced by his noble and well-to-do advisers, still actually made the decisions of importance. East of the Rhine the tradition of the absolute, authoritative state was still strong. East of the Rhine the fight for liberalism and democracy was never really won.

Nevertheless, when the situation in the third quarter of the nineteenth century is compared with the situation in 1715, it is apparent that never had the Western world enjoyed as much economic freedom as in 1860 or as much political freedom as in 1875. In 1715, the Western world economically was still cut up into mercantilistic nation-colonial units. But the absorption of the first French colonial empire by the British and then the American Revolution of 1776, the Spanish and Portuguese-American revolutions of the 1820's and the British repeal of her Navigation Acts in 1849, freed huge areas from mercantilistic exclusion. At the same time, in the second quarter of the nineteenth century, Britain at home established free trade, the United States and the German customs union (the *Zollverein*) were pursuing a low tariff policy, and in 1860 England and France negotiated a reciprocal, free trade treaty. Never had law, or rather the absence of law, corresponded more closely to the reality of a world economic community. During the same years, from 1715 to 1875, great gains had also been made, even in Central Europe, for political liberty, equality, and democracy. Liberals could legitimately hope and expect that eventually further gains would be made and that liberty and democracy would ultimately triumph completely throughout the Western world.

Part II: From 1871 to the Present

I

CHANGING FAITHS AND LOYALTIES

This synopsis does not try to give a full picture of the world since 1871. It continues to develop the five themes which the course has followed since 1500: the expansion of Europe; the evolution of industrial capitalism in a world economy; the rise of national states and the contest between liberty and authority within them; war and peace among those states; and the faiths men live by. Topics I through VIII take up these five themes in the period from 1871 to 1914. During these years nearly every western state respected the basic individual liberties of conscience, of speech, of association, and of private property. Almost every state gave its citizens the equal protection of the law and guaranteed them orderly judicial procedures. Almost every man in northern and Western Europe could vote for members of representative assemblies, which operated under carefully detailed constitutional procedures. By 1914, nearly every child in the same areas was entitled to free primary education. Men were free to trade, travel, and settle where they pleased, and to take their property with them. A widespread movement for international peace aroused the hope that Western civilization would outlaw war, as it had previously conquered famine and slavery, and was conquering disease, poverty, and illiteracy. Longer and fuller lives, wider liberties, and greater opportunities were the first results of the nearly simultaneous triumphs of industrial capitalism, the national state, and a rationalistic approach to social and political problems.

The nineteenth century brought many scientific achievements, including the scientific establishment of the atomic theory, the germ theory of disease, and the theory of biological evolution. This last hypothesis was most notably advanced in Charles Darwin's *Origin of Species* (1859). Darwin held that man, instead of being created by a special act of God, had been evolved from lower forms of life by natural selection. Herbert Spencer applied Darwin's ideas to the social sciences, to the relations between peoples, states, and classes. Darwin's contradiction of the Biblical account of man's creation stirred up a violent controversy, but this controversy made scientific knowledge and the scientific method part of the mental baggage of the layman. At the same time the anthropologist James Frazer denied the uniqueness of many Christian tenets, while the Biblical critics Strauss and Renan attacked the supernatural elements in Christianity. The philosopher Nietzsche felt that Christian ethics were contrary to the laws of natural selection; progress depended on

the will to power; the strong and able, rather than the meek and humble, should inherit the earth. The psychologist Sigmund Freud (around 1900) narrowed the role of man's individual conscience and reason. Man was not entirely free to choose between right and wrong, or the rational and irrational. Many of his actions were due to powerful biological and anthropological drives, originating outside of the conscious personality, and thus in a measure beyond the individual's control. As these new ideas were popularized, the educated and the half-educated, the fanatic, the businessman, and the warrior, found excuses in "science" to justify doing whatever they desired. The increasing materialism of Western philosophy paralleled the material triumphs of the industrial revolution.

II

THE SPREAD OF THE INDUSTRIAL REVOLUTION

Throughout Western civilization, the application of power to manufacturing continued. By 1914 both the United States and Germany had overtaken Great Britain in heavy industry.[1] The drive for new markets for old products and new products for old markets was accelerated. Partly because of the size of its protected domestic market, American industry was the most mechanized and its control the most concentrated. Many key American industries (oil, steel, aluminum, tobacco) were controlled by a few large producers ("monopolistic competition") or by single "trusts". In Germany cartels (agreements allocating production and sales quotas) were common. At the other end of the scale, in the more backward countries of Central and Eastern Europe, there might be a single large plant for an entire industry.

Only in Great Britain had the middle class accumulated enough wealth to develop heavy industry without state aid; only the British industrialists, with their early superiority in machine techniques, could afford a repeal of protective duties. The industrialists in other countries, late in starting and lacking plentiful funds, needed the aid of the state. The government subsidized the railways in France, the United States, and Canada, and owned and operated them in Germany and Austria-Hungary. In Russia, Japan, and Italy—economically even more backward—the state developed not only railways but also the metallurgical

[1] From 1910 to 1914 the United States produced more steel (26.6 million tons annually) than Germany (14.8 million), Britain (7.0 million), and France (3.7 million) together. Germany produced more than the Triple Entente powers—Britain, France, and Russia (4.0 million) combined. Austria-Hungary made a little more than Belgium (2.0 million). The other powers, Italy (.9 million) and Japan (.3 million) produced almost none.

industries. Protective tariffs were introduced by every one of these major powers to shelter their industries from British competition, and businessmen began to press the state to open new markets and sources of raw materials overseas, a trend which was reenforced by the continuing growth of Europe's population. The advances of medicine and the enormous enlargement of the means of subsistence contributed to the increase of 155 million in Europe's population during this period, while about 35 million others left Europe for the European overseas frontiers in the Americas and Australasia. In 1900 a quarter of humanity lived in Europe, the smallest, but the most industrialized and powerful, of the major continents. Most of the new people were added to the population of the cities, both in Europe and the Europeanized portions of the outside world. Europe's rural population remained relatively constant. The new cities were fed by increasing total farm production and by imports. By 1914, two thirds of Britain's food and a tenth of that of the German Empire were imported from the great agricultural areas of America and Australasia. The domestic problems arising from the increasing concentration of economic and political power in the hands of the industrialists are discussed in the next topic; the international implications of the increasing competition between the industrial states, in those following.

III—IV

THE MOVEMENT FOR SOCIAL REFORM

There are two general approaches to the social problems created by machine industry. The hardships of the workers can be alleviated through social legislation, union organization, and the restoration of free competition; or the state itself can "socialize" or "nationalize" industry. Even in the first stages of the industrial revolution enlightened English thinkers felt that social reform should accompany industrial development, and a number of factory acts were passed in the middle of the nineteenth century. Child labor in mines and industrial establishments had been outlawed in Western Europe and by most of the United States by the early twentieth century, and the employment of women was carefully regulated. Bismarck tried to head off the growing German socialist movement by introducing a national insurance program in 1881, and France and Great Britain imitated him a generation later. The Catholic Church replied to the demands of the working classes by presenting Pope Leo XIII's program (1891) for Christian or Catholic

Socialism, and by encouraging Catholic unions and political parties. Other gains were made through the efforts of organized labor.

The socialistic approach to the problems of the industrial worker was crystallized by Karl Marx and Friedrich Engels in the *Communist Manifesto* (1848). The Marxian program, unlike that of previous socialists (the Utopians) who assumed that the ruling classes could be converted to socialism, was founded upon the concept of class struggle. Marx believed that history was a story of class conflict, in which the profit-seeking capitalists had come to dominate society. Labor, according to Marx, created all wealth, but the capitalists paid the wage earners less than the value they created and thus realized a profit. Since the misery of the workers was the result of this unjust exploitation, Marx felt that the proletarians' only remedy was to unite to take the means of production away from their exploiters. Marx held that the recurring crises of the capitalistic order would destroy it. As wealth was increasingly concentrated in the hands of the upper *bourgeoisie,* the lower *bourgeoisie* would be driven into the proletariat. The existing governments were nothing but the executive committees of the *bourgeoisie,* who ran society in their own interests. The immediate aim of the proletariat was thus to seize the state from the *bourgeoisie* and establish a revolutionary dictatorship. This dictatorship would liquidate the old ruling classes and educate the masses for the new society. In this classless society the state would "wither away."

The democratic and humanitarian nature of the Marxists' goals made it possible to link Marxism with the liberal-democratic tradition. The concepts of the class struggle and the dictatorship of the proletariat became uppermost when Marxism blended with revolutionary movements in areas where the liberal-democratic tradition had no foothold.

A conflict over the proper interpretation of Marx began around 1890, when it became clear that Marx's prophecies were not being entirely fulfilled. Though the proletariat was increasing in numbers, its lot was improving instead of becoming worse. The concentration of wealth at the top of capitalistic society continued, but the smaller capitalists were not being squeezed into the ranks of the proletariat. The eagerly awaited, inevitable revolution did not seem to be getting any nearer. In this dilemma the revisionist or reformist Marxists believed that the socialists should cooperate with the bourgeois democrats to obtain such immediate benefits as better wages, social insurance, housing, and education. By 1914 there were numerous revisionist or parliamentary socialists in France and Germany, and coalitions of "leftist" democrats and socialists controlled the French, German, Italian, and Austrian parliaments. The German Social Democrats were the

strongest single party in the prewar lower house, and the groups wanting a democratic constitutional monarchy or a republic formed a clear majority. Universal manhood suffrage was introduced in Austria in 1907 and in Italy in 1912 with correspondingly large gains for the democratic and socialist parties. All of the continental socialist parties were loosely linked together in the Second Socialist International (1889-1914), but none of the revisionists carried on any real preparatory work for the revolution or even saw the policies of such a revolution clearly. The Second International did not present a united front against war in 1914, and its member parties were unable to meet the consequent criticisms of the more orthodox Marxists.

To the more orthodox Marxists, of whom Lenin in Russia was the most noted, revisionist Marxism was treason to the working class. In authoritarian, feudal Eastern and Southern Europe where the workers had to fight not only for their economic emancipation but also for their political rights, socialism remained militant and revolutionary. The Western churches participated in the movement for social reform; religion in Eastern Europe was still an ally of the monarchy, nobility, and bureaucracy, glossing over social exploitation. Western democracy fostered cooperation between the workers and the other elements in society; in Southern and Eastern Europe the social inferiority of the proletariat, the peasants, and the lower *bourgeoisie* fanned the flames of class hatred. In these areas, there were other discontented, revolutionary groups with which even the numerically inferior worker could conspire to overthrow the government and the old social order.

In 1916 Lenin broadened the theoretical basis of revolutionary socialism. He held that Marx's prophecies of imminent revolution had not been realized because the capitalists, after exhausting the opportunities for expansion at home, had found markets and areas for investment overseas. The profits from these imperial ventures permitted both the continued expansion of capitalism and a slight rise in the living standards of the European masses. But this solution, Lenin thought, would in the end inevitably raise new problems. The capitalistic countries necessarily develop at different rates. This fact leads to friction between those powers that obtain valuable colonies and those that fall behind in the race. The exploited colonial peoples will also inevitably rebel against their masters. The imperial conflicts between the great capitalistic powers had inevitably resulted in the First World War. The war, in turn, would create a revolutionary situation in some of the belligerent states. The proletarian, revolutionary dictatorships which could be set up in these countries would then become the champions of the

revolutionary proletarian parties in the surviving capitalistic states. Today's Communists follow Lenin; the socialist parties are revisionists.

The adherents of all the various schools of politico-economic thought have developed their prophets, their holy writs, and their violent emotional faiths. The Europeans who shot and tortured each other in the name of Christianity in the sixteenth and seventeenth centuries, did the same thing in the name of reason and liberty in the eighteenth and nineteenth, and in the name of social justice in the twentieth.

In England, Marxism never became the guiding principle of those seeking to create a better society. British Fabian Socialism (founded by a group of intellectuals in 1884) rejected the class struggle and set out to permeate all parties with socialist ideals. The Fabians' commonsense approach enabled them to join with the trade unionists in a unified Labor party in 1900. But the bulk of the workers' support still went to the Liberal party, which had a program that included social insurance, the breaking up of landed estates and big fortunes by progressive taxation, the protection of trade-union rights, and (1911) the curbing of the legislative powers of the House of Lords. In 1906 the Liberals won a landslide victory over the Conservatives; and, supported by Labor and the Irish Nationalists, to whom the Liberals promised Home Rule, were still in power in 1914.

The democratic forces in American politics, who had once identified democracy with the restriction of the powers of the government, centered their attention on state and federal regulation of monopolies. By 1900 coalitions of farmers, small business men, and labor had secured state and federal railroad regulation and a federal law (the Sherman Anti-Trust Act) against monopolies. The "progressives" within the Republican party accidentally gained control of the presidency when Theodore Roosevelt succeeded McKinley in 1901. Roosevelt was determined to weed out the abuses which had crept into the American system, and to restore and preserve real free competition. When his successor, William Howard Taft (1909), accepted the sponsorship of the big business Republicans, Roosevelt's followers organized the Progressive party. As a result of the split among the Republicans, the Democrats in 1912 gained control of the Congress and elected Woodrow Wilson president.

Wilson's "New Freedom" included most of the aims for which the progressive forces in both parties had fought: a lower tariff, currency reform, government control of banking, the regulation of business, labor legislation, conservation of natural resources, and a progressive income tax. In the states, the direct election of United States Senators and the direct primary were intended to strike at the conservative party

bosses and their big business backers. Marxian Socialism found no more support in the United States than in England. The nearly unlimited social and economic opportunities provided by the American frontier help to explain the persistent hold of an extremely individualistic tradition.

V—VI

OVERSEAS EXPANSION CONTINUES

Increasing urge for national aggrandizement, increasing competition for markets and raw materials, the demands of national defense, and renewed interest in foreign missions resulted in a revival of imperialism. The newer industrial states wanted to fence off markets from their competitors; the British extended their political control to keep the Open Door in areas in which they were interested economically. After the Berlin Conference of 1884, which marked the first extensive European political interest in the interior of Africa, Germany took East and Southwest Africa, Togoland, and the Kamerun, and acquired other territories and concessions in the Ottoman Empire, China, and the Pacific. Britain added to her holdings in Africa (East Africa, Nigeria, and the Sudan, Rhodesia, and the Boer republics) and the Ottoman Empire, and on the frontiers of India (Burma and Baluchistan). The French gained Tunisia, Morocco, West and Equatorial Africa, Madagascar, and most of Indo-China. Belgium annexed the Congo Free State; Italy acquired Eritrea, part of the Somaliland, and Libya; and the Dutch continued to develop the East Indies. After the Spanish-American War (1898) the United States expanded in the Caribbean and the Pacific. Portugal obtained two large areas in Africa (Angola and Mozambique) because of the mutual jealousy of Britain and Germany. Of the five original colonial powers, only the Spanish failed to hold their own. Spain's African acquisitions in Morocco and the Rio de Oro were less important than her losses (Cuba, Puerto Rico, the Philippines, and the Caroline and Marshall Islands). By 1914 Liberia and Ethiopia were the only independent states in Africa.

In the Near East the Russians sponsored the national aspirations of the Serb and Bulgarian subjects of the Ottoman Empire. Great Britain acquired Cyprus, Aden, and Egypt to defend her increasingly important Mediterranean route to India, and France gained economic concessions in Syria. After 1890, Germany's economic and political interests in the Balkans and the Ottoman Empire (along the Berlin to Bagdad Railway) threatened to carry German power to the Persian Gulf and India.

Persia was divided into Russian and British spheres of economic influence by the Anglo-Russian agreement of 1907, as Siam had been divided by the French and British in 1895. By 1914, most of the backward areas of the world were staked off by monopolistic competitive empires. The best areas of the temperate zone were physically occupied by Europeans or their descendants. These facts further aggravated two of the problems inherent in Western civilization. The land-hungry great powers could acquire further territories only by war; their industrialists had even greater difficulties in finding new markets.

VII

EUROPEAN POLITICAL PENETRATION IN THE FAR EAST

Long before 1870, the English East India Company and other foreign traders, including those of the United States, had traded with China through the port of Canton. The Chinese government was not only hostile to foreign intercourse but unable to protect the lives and property of the westerners who pushed in anyway. The result was a series of wars with Britain and France which transformed China into a semicolonial area. Hong Kong became a British possession (1842), a number of other ports were opened to foreign traders, and western missionaries were permitted to reside in China. Western lives and property were protected by extraterritorial courts, the Chinese government (like the Ottoman and Persian Empires) was saddled with an internationally administered debt, and all the western powers were admitted on a competitive Open Door basis.

Commodore Perry's visits to Japan (1853-1854) and the subsequent opening of that country to foreigners precipitated a revolution, the principal causes of which had been developing long before Perry's arrival. In 1867 the Japanese emperor recovered his long-lost position as sovereign, and the nobility relinquished its feudal political rights. The Japanese evolved a constitutional monarchy controlled by a combination of the old nobility and the new commercial and industrial capitalists. The new state revived the ancient Shinto religion in a political and violently nationalistic form. It created a Western-model army and navy, and embarked on expansion, beginning with the Ryukyu, Kuril, and Bonin Islands.

Japan then precipitated a scramble for Chinese territory by defeating China in a war over Korea (1895). In the following three years, the Germans, Russians, French, and British acquired new Chinese naval bases and spheres of influence. The Chinese government could neither

stand up to foreign encroachments nor control the anti-Manchu and antiforeign Boxer Rebellion. While an international army (the great powers have often been quite willing to cooperate to police warlike "backward" peoples) was putting down the Boxers, the United States, whose Far Eastern interests had been increased by the recent acquisition of the Philippines, acted to preserve China's territorial integrity. At the suggestion of Great Britain, the United States tried to secure the adherence of all the great powers to the Open Door formula. But Russia refused to withdraw her troops from her railway concessions in Manchuria. Since Russia had direct land connections with China, she could easily defy British and American sea power.

The only power with a modern army and navy in the Far East was Japan. Great Britain (who wished to recall her ships to the North Sea to check the new German navy) consequently signed an alliance with Japan (1902) to protect the Open Door and to forestall a Manchurian agreement between Japan and Russia. The indemnity which Japan had exacted from China in 1895 had been spent for British-built battleships and the Royal Navy's revolutionary fire-control equipment. When Japan attacked Russia without a declaration of war two years later, Britain "held the ring" against outside interference. A series of Japanese victories ended in the Peace of Portsmouth (1905), mediated by President Theodore Roosevelt, who played an active role in the international politics of this period. Korea was recognized as a Japanese sphere of influence. The naval base at Port Arthur, the southern half of Sakhalin Island, and the South Manchurian railway passed to Japan, the first modernized Asiatic state to defeat a European army and navy. The Japanese victory enormously stimulated the growth of nationalism in China, India, and the Moslem world. At the other side of Asia, the Japanese pattern was repeated. In July, 1908, the Young Turk party seized control of the Ottoman government, to begin a second decisive experiment in westernization.

In Europe, too, the Russo-Japanese War, the first conflict between two great powers since 1871, had far-reaching results. Defeat in this badly mismanaged war was followed by mutinies in the Russian army and navy, the seizure of landlords' estates by the peasants, a middle class bid for a constitution, revolts among the Poles and other oppressed nationalities, and proletarian uprisings which were the "dress rehearsal" for the Bolshevik leaders of 1917. The Czar's hold on the Russian masses was irretrievably weakened by his autocratic revision of the constitution he was finally forced to grant. His bureaucratic, noble, and clerical allies discredited themselves by their conduct of the war and the "White Terror" against the peasants and the proletariat. Inter-

nationally, this revelation of Russia's weakness made possible an increasingly aggressive German foreign policy, which led directly to war between the two armed camps into which the European great powers were by this time divided.

VIII

EUROPEAN INTERNATIONAL RELATIONS

In 1871 Germany replaced France as the strongest state on the European continent. Fearful of French revenge for the loss of Alsace-Lorraine, the German Imperial Chancellor, Bismarck, tried to come to terms with France's potential eastern allies, Austria-Hungary and Russia, in both of which, as in Germany, foreign and military policy was still controlled by ministers responsible only to the monarch. The German and Hungarian ruling classes in Austria-Hungary were easily induced to join Bismarck. The Austro-German alliance of 1879 became the cornerstone of German foreign policy. Italy, hostile to France because of the French annexation of Tunisia, also turned for help to Germany. The Triple Alliance (1882) of Austria-Hungary, Italy, and Germany was still nominally in effect in 1914. But Bismarck's efforts to include Russia in these understandings broke down on the rivalry between Austria-Hungary and Russia in the Balkans. Germany felt bound to support Austria-Hungary. If Slavic Russia were allowed to break the German- and Hungarian-controlled Dual Monarchy into its component parts, Eastern Europe would be dominated by Russia and a number of small Slavic satellite states. The Slavic subjects of both the Hapsburg and Ottoman empires looked to Russia for support; Russia, in turn, tried to foster Pan-Slavism in those areas.

Bismarck was primarily concerned with maintaining the *status quo,* and avoiding a two-front war with France and Russia. But Bismark's successors (after 1890) began an aggressive drive for sea power and colonies, and renewed the historic German march to the east by seeking economic concessions in the Balkans and the Ottoman Empire. These tendencies brought Germany into conflict with Britain and Russia, while Germany's central strategic position, semi-autocratic government, and aggressive foreign and military policies raised general fear of her domination of the whole European continent. France and Russia signed a military alliance in 1893, an act which split the great continental powers into two groups. The Franco-Russian alliance was cemented by French loans to the Russian government, and by large French (and later British) private investments in Russian heavy industry.

About 1900, Great Britain, alarmed by German naval, economic, and colonial competition, emerged from her "splendid isolation" between the two competing groups (both of which had put pressure on Britain in colonial matters). Britain's alliance with Japan (1902) was motivated by fear of both Germany and Russia. Cordial relations were established between the United States and Britain when both of them agreed to support the Open Door in China and Britain had relinquished her claim to an equal share in the control of a future canal across Central America (1901). In 1904 England and France settled their outstanding colonial disputes in the Entente Cordiale. For the first time in nearly a century the entire strength of the British navy could be concentrated in the North Sea against Germany. After 1905 the British War Office made plans for sending an army to defend France against German aggression. From 1905 to 1912, Germany's aggressive policies in Morocco forged the Anglo-French entente into a tacit military alliance. In 1907, Britain reached a colonial agreement with France's ally, Russia. France and Italy agreed on the future division of North Africa in 1901. Italy began to hedge on her commitments to the Triple Alliance, and to revive her claims to the Italian areas (*Italia Irredenta*) of Austria-Hungary. The Germans, in their turn, became increasingly fearful of "encirclement" and more than ever dependent on their only sure ally, Austria-Hungary.

The storm broke in the Balkans. In 1908, Austria-Hungary annexed Serbian-inhabited Bosnia (which the Dual Monarchy had administered since 1878) without compensating either Serbia or Serbia's protector, Russia. This move and the revelation of the Young Turks' military weakness in a war with Italy over Libya (1911) caused the formation of a Russian-sponsored Balkan League of Serbia, Bulgaria, Greece, and Montenegro. The Balkan League dismembered European Turkey in the First Balkan War (1912-1913), and then quarreled over the spoils. In the Second Balkan War (1913), Serbia, Greece, Rumania, and Turkey defeated Bulgaria. Elated by these victories, Serb nationalists began to conspire against Austria-Hungary, the remaining obstacle to their ambition to unite the Slovenes and Croats with themselves in a South Slav state. This ambition, which threatened to disrupt Austria-Hungary, was met by force. The Austrian General Staff made the assassination of the heir to the Hapsburg throne by a group of Serb terrorists an excuse to subject Serbia to the political control of the Dual Monarchy. When Austria-Hungary declared war on Serbia late in July, 1914, the Russians went to war with Austria-Hungary. Germany declared war on Russia and France and invaded neutral Belgium. England entered the war to defend Belgium and France, and Japan

came in with England. The search for security through alliances and competitive armaments had failed. As Lord Fisher, the creator of the modern British navy, put it: "Everybody wants peace, but we all want a peace that suits us."

IX—X

THE FIRST WORLD WAR

Germany, like Napoleonic France, was stronger than any single member of the coalition which encircled and blockaded her. Until the middle of 1918, her central position and superior armies gave her the initiative. The German General Staff had long planned to strike at France through Belgium, violating an international guarantee of the latter's neutrality, in order to avoid a stalemate in the fortified area west of Alsace-Lorraine. When the French stopped the German drive in the "miracle of the Marne" in September, 1914, Germany found herself committed to a war of attrition in the west, with France reinforced by Britain and by sea-borne supplies from Britain and America.

In 1915, the Germans turned to Russia, following up Hindenburg's and Ludendorff's victories in East Prussia (Tannenberg and the Masurian Lakes) with the occupation of Russian Poland and Lithuania. Every six months the Russians lost a million men and half a million prisoners. By 1916 the Czar's loyal army had been almost totally destroyed; the Russians were holding the line with a "militia of peasants" under subordinate officers drawn from outside the old privileged classes. Germany and Austria-Hungary had defeated Russia without invading Russia's vast interior. Serbia had been conquered in 1915 and Rumania in 1916. The Central Powers (Germany, Austria-Hungary, Turkey, and Bulgaria) controlled almost the entire industrial apparatus of the European continent, and the greater part of its agricultural resources as well.

In 1916 and 1917, the Germans' principal efforts were in the west, Italy, who had joined the Allies in 1915, was nearly knocked out of the war at the battle of Carporetto (1917). The French army was bled white in the long-drawn-out battles of Verdun and the Somme. The British army's summer offensives in 1917 cost 8,222 casualties per square mile (the combined American and Japanese casualties for the eight square miles of Iwo were 65,665). On the western front, the trench and the machine gun made movement almost impossible. In this situation famine became the arbiter of victory. Early in 1917, with the French army close to mutiny (averted only by the appointment of Pétain to the command), the Germans tried to starve out Britain, by unrestricted submarine warfare, before the British blockade starved out Germany.

By the last two weeks of April, 1917, one out of every four ships leaving Britain was sunk before it could return. But the unrestricted use of the submarine also brought the United States into the war on the side of the Allies (April 6, 1917).

The United States had already become the arsenal of democracy because the British blockade prevented shipments to Germany. Under the stimulus of war orders by the Allies, the total factory capacity for the manufacture of powder in the United States had increased sixtyfold, and a huge stream of materials, supplies, and ammunition was flowing steadily from America to the front-line trenches in France. American exports to France, Great Britain, and Italy had quadrupled by the close of 1916; and American private investors had lent two billion dollars to Allied governments. The United States was sympathetic to the Allies anyway, because Prussia represented to many Americans autocracy and militarism, and the United States's many cultural and historical ties with Great Britain and France had predisposed Americans to believe Allied propaganda. German atrocities in Belgium and France, sabotage by German agents in munitions plants working on Allied orders, and stupid German diplomatic intrigues in Mexico reacted against the much less astute German propaganda efforts. Above all else, irritation with the British blockade, which cost American traders money and violated American ideas of neutral rights, disappeared when German submarines began to take the lives of American citizens. As in all coalition wars, the final Allied victory required the efforts of each member of the great alliance. Though Russia had been forced from the war in 1917, more Germans died in the fighting in Russia than on the western front. The submarine could not have been beaten without American naval help, and the United States army helped break the final resistance of the war-weary Germans in the Allied counteroffensive (directed by Marshal Foch) which followed the failure of the German offensives in the spring and summer of 1918. Ludendorff admitted defeat as early as August 8. By that time, the Central Powers and many of the neutral nations of Europe were feeling real hunger. The German birthrate had been cut in half, tuberculosis had tripled, and workers in the German munitions plants had lost between 15 and 25 per cent of their weight. Bulgaria and Turkey surrendered first. The disintegrating Austro-Hungarian monarchy, deprived of all German support, was knocked from the war by a great Italian offensive (Vittorio Veneto) in October. Revolutionary national governments had already been set up in Poland, Czechoslovakia, and Yugoslavia. On October 4, the German High Command asked the government to sue for peace. Parts of the German navy mutinied on October 28. On November 7, 1918, German repre-

sentatives crossed the Allied lines to sign an armistice. Two days later the emperor fled and the Federal Government was proclaimed a republic. The day that fighting ceased in the west, November 11, the last Hapsburg emperor abdicated. The German Austrians and the Hungarians then set up republics. Though sporadic fighting still continued in the Baltic states, Russia, and the Near East, the German armistice marked the official end of a war which had involved thirty sovereign states, overthrown four empires, given birth to seven new nations, and cost the lives of thirteen million men on the battlefield. Perhaps an equal number of noncombatants were killed by disease, privation, and revolution. The total spent directly on war expenditures was over two hundred billion dollars.

The predominant characteristic of the First World War was its universal grip on all national activities, in which it was impossible to distinguish the industrial worker from the fighter. The four fundamental lessons emerging out of this great conflict were that the business of industrialized war demanded centralized political authority, economic self-sufficiency, national discipline, and machine weapons. Many leading military authorities concluded that these lessons must be applied during peacetime in order to be ready for war. The powers which fought to the finish were the world's industrial leaders, operating under a military dictatorship (Ludendorff) in the case of Germany, and under civilian dictatorships (Wilson, Lloyd George, and Clemenceau) in the case of the Big Three democracies.

An important factor in the French and German postwar psychologies was the closeness of the final decision. The French became obsessed by the search for security against Germany. Many Germans were never convinced that Germany had been beaten in battle, that the Germans were not racially superior to other Europeans, or that military aggression is not a paying activity. For all too many Germans the First World War was only a prelude to the second, a "War of Lost Opportunities," lost by civilian ineptitude and terminated by socialist and Jewish treason and by Allied treachery.

XI

THE LEAGUE OF NATIONS

The war aggravated all of the ills and difficulties of European civilization: the gradual contraction of the free world market which left Western Europe's industrial facilities overexpanded; the exacerbation of national hates and prejudices; the reliance upon force to win

immediate decisions in domestic and foreign politics; the instability of governments which tried to combine liberty and authority; and the discontent of colonial peoples with European rule. The war had disrupted the peaceful operation of the world economy, and turned peaceful industries to the manufacturing of war goods. In Eastern Europe the Germans had tried to aid the spread of social and national revolutions inside the czarist empire; and the Western Allies had retaliated by fomenting subversive democratic and nationalistic movements within Germany, Austria-Hungary, and the Ottoman Empire. The new frontiers in Eastern and Central Europe were to cut across well-established lines of trade. Wartime inflation and repudiated debts had weakened the middle class. After the end of the war the relaxation of governmental authority promoted revolts of the proletarians and the peasants. In this situation, the Big Three (Wilson, Lloyd George, and Clemenceau) met at Paris to frame a lasting peace along the lines of traditional constitutional democracy, economic liberalism, and national sovereignty for both great and small peoples.

President Wilson's main concern was the establishment of a League of Nations to bring order out of the international anarchy which had led all of the great powers into the war. The surrender of sovereignty, one of the strongest forces in shaping our civilization, seemed to be impossible. The only practical course, therefore, was to develop the victorious coalition (France, England, the United States, Italy, and Japan) into a permanent alliance powerful enough to offer all states collective security. The League's primary function was "the mutual guarantee of political independence and territorial integrity of all powers, great and small alike." Its executive body was the Council, whose original permanent members were to be the five great powers which had defeated Germany. The smaller states were to be represented by four nonpermanent members elected by the Assembly. The Council's decisions had to be unanimous. No member (a further safeguard to national sovereignty) could be compelled to take economic or military action against an aggressor. Each member, great or small, could appeal to world opinion through the Assembly, where great and small powers were on an equal basis. Affiliated with the League was the Permanent Court of International Justice.

Once the League had removed the possibility of aggression, its founders hoped that such specific problems as competitive armaments, trade barriers, colonial rivalries, and the treatment of minorities could be dealt with by international conferences, called by the League, among the states directly concerned. Through its Secretariat and such special

permanent bodies as the International Labor Office, the League rendered major services in preventive medicine, the suppression of the drug and white slave traffics, intellectual cooperation, and relief. The League also brought under its supervision some of the more promising international unions founded before the war. Though the League did not prevent the Second World War, its existence made people aware of world problems and created a large body of opinion in favor of an even more far-reaching attack on war and the conditions which led to it.

The United Nations Organization is directly descended from the League. Though the assent of only seven members of the Security Council is required for a decision, the veto power given the five permanent members (Russia and China have been added to the Big Five, and Italy and Japan dropped) preserves the principle of great power unanimity. The United Nations General Assembly and the International Court of Justice are continued along the lines of the older organizations. The Secretariat, the Economic and Social Council, the Trusteeship Council, and their subordinate bodies for labor, health, international trade, international finance, and the like, render the services that similar bodies performed in the League. The entirely new problem of the control of atomic energy is being handled jointly by the Security Council and the Assembly, through the Atomic Energy Commission. One large body of opinion holds that peace can be attained only through a reform of the United Nations which involves a relinquishment of national sovereignty. Another group still puts its faith in national armed forces and alliances. A middle group between these two extremes hopes that the present organization will stave off war in the immediate future, render sufficient services through its constituent organizations to make itself useful, and will ultimately evolve into a working world government.

XII

THE PEACE TREATIES

It had taken the efforts of a great coalition to defeat Germany. The principle of great power unanimity was the cornerstone of the League. But the victorious alliance fell apart even before peace was made, and before the League which was based on it had had an opportunity to prove itself. In 1917 Russia had been forced out of the coalition and the war by Germany. By 1919, Russia's former allies were sending supplies to the opponents of the Bolsheviks, and supporting the attempts

of the newly created border states to win more Russian territory. Italy was embittered by her failure to get what she considered a fair share of the spoils, and Japan took no part in the European settlement.

The Big Three agreed that Germany was to be deprived of Alsace-Lorraine, the Polish corridor, her colonies, her navy, and her conscript army. Beyond this, however, the democracies divided. Wilson hoped that, if Germany were granted a peace of justice and the German militarists were driven from power, the German people would establish a truly democratic state and eventually find their way into the League. France wished to cripple Germany still further by detaching the area west of the Rhine. The conflict between Anglo-American and French policies over the Rhineland was settled by a compromise. France received the coal of the Saar for fifteen years. The Rhineland was to be occupied by the Allies for a similar period of time, and was to be permanently demilitarized. The compromise was worse than either of the policies (American and French) from which it had issued, and insured the defeat of both. The terms of the treaty irritated the Germans and thus destroyed any chance of winning Germany to peaceful ways. The failure of the Allies to detach the Rhineland permanently or to break the power of the German central government left Germany's capacity for future aggression unimpaired. The German republican government connived at secret rearmament, and certain British statesmen, in a fatal misapplication of the traditional theory of the balance of power, thought that German rearmament would check France's revived continental hegemony. German war criminals were allowed to go unpunished, and autocratic militarism retained its fatal fascination for the German mind. After the Treaty of Versailles had been signed, England and France also disagreed over German reparations, the total of which had not been set by the treaty. Many British businessmen felt that large reparations payments would wreck the European economy and open all of Central Europe to Bolshevism. When the French marched into the Ruhr to collect reparations by force (1923), none of the other Allies supported them, and German passive resistance drove both France and Germany close to bankruptcy. In the end, British and American bankers lent Germany money ($6,500,000,000) for her recovery. The total reparations paid by Germany were about $4,500,000,000. The war-weary French, abandoned by the other great powers, could only place their trust in new armaments and in alliances with Germany's new eastern neighbors.

In Eastern Europe the Big Three merely ratified a series of territorial and political *faits accomplis,* by recognizing the belt of independent Central European states which had arisen out of the old Russian,

German, and Austro-Hungarian empires. In theory, the boundaries of these new states were drawn along national lines, and the number of people in Eastern Europe subject to alien rule was, in fact, reduced from fifty million in 1914 to eight million in 1919. But because of population enclaves, historic frontiers, natural boundaries, and the greed of victor states, it was impossible to draw boundaries entirely along the lines of nationality in the former territories of these old dynastic empires.

To keep their gains, the larger succession states (Czechoslovakia, Yugoslavia, Poland, and Rumania) formed alliances with each other against all the defeated powers, Germany, Austria, Hungary, Bulgaria, and Turkey, and against Bolshevik Russia. These alliances were supported (as the Franco-Russian alliance had been) with French arms and French capital. Since the new states also looked for protection to the League, the League system was tied to the boundaries of the most unstable area in Europe.

Germany's African colonies went to Britain and France, and her Pacific territories to Japan, Australia, and New Zealand. In the Near East, the Allies partitioned the remaining territories of the Ottoman Empire. Palestine, Trans-Jordan, and Iraq went to Great Britain, whose influence was now supreme throughout the Arabian peninsula. France obtained Syria. In 1919, in accordance with the terms of the Turkish treaty, the British, French, and Italians occupied most of southern Anatolia, and a Greek army landed at Smyrna. The Sultan was willing to serve as a tool of Allied interests, after the manner of the native rulers of Tunis, Morocco, or India. But the Greek invasion was the last straw to the Turkish Nationalists. It resulted (1919) in the revival of the Young Turk party, as a focus of opposition to both the Sultan and the Allies. In 1921, the Turkish Nationalists, under Kemal and Inönu, defeated the Greek army and massacred or deported the entire Greek minority. The Big Powers did nothing. In 1923, at the Treaty of Lausanne, nationalist Turkey renounced all claims to the non-Turkish territories of the Ottoman Empire; in return, she was to pay no reparations, and all extraterritorial privileges were abolished. Once the treaty had been concluded, the nationalists reoriented Turkish life along Western lines. The five basic principles of the Turkish Nationalist party—republicanism, nationalism, laicism, democracy, and statism—sum up the recent expressions of the main themes of this course. They mirror the essential transformations of a medieval into a modern society. The success of Turkey's westernization against the West enormously stimulated similar movements throughout the Moslem world: in Egypt, Syria, Arabia, Iraq, Persia, and even in backward Afghanistan.

XIII
AMERICAN ISOLATIONISM

When the Covenant of the League of Nations was presented to the United States Senate, all but a few extreme isolationists were in favor of its adoption in some form. But a group of Republican senators, unwilling to have the Democrats get the credit for it, resorted to delay and obstruction. The reforms of Wilson's "New Freedom" had been substantially enacted by 1916, and Wilson had been barely reelected in that year. The Republicans had won control of both houses of Congress in the 1918 midterm elections. Wilson's attempt, on his return from Paris, to appeal to the people to put pressure on their senators to support the League ended in his own paralysis and the collapse of the Democratic leadership. The issue was clouded over by popular disillusionment with the war and with the Allies, and by opposition to the Paris treaties of certain vocal hyphenated-American groups. The treaty, including the League, failed to get the required two-thirds majority vote in the Senate.

In the presidential campaign of 1920, the Democratic candidate, Cox, came out strongly for the League. The Republican party, badly divided on the question of adherence to the League, did not take a definite stand. Their weak compromise candidate, Warren G. Harding, refused to commit himself during the campaign, but interpreted his victory to mean that the people did not wish their government to join the League or to participate further in European affairs. None of Harding's Republican or Democratic successors was able to induce the Senate to accept even the World Court, but the Republicans were willing to sponsor the Washington Conference and that most toothless of all international conventions, the Kellogg-Briand pact for the outlawry of war "as an instrument of national policy."

At the same time, and in much the same confused fashion, the American people failed to recognize the realities of their new economic position. The war had left the United States in a position similar to that of Britain in 1815. She was the world's leading manufacturer, banker, investor, and exporter; but the United States government did not use its power to aid in the revival of a free world market. The United States, like the rest of the world, reverted strongly to economic nationalism. The Republican Congress raised the tariff in 1922 and again in 1930. Most Americans could not see that they would have to buy abroad if they wanted to export American products. They could not see that the enormous private investments which they were making in Europe after 1923 provided the means by which Europe could buy American goods, and that when these means were exhausted, both the

trade and all the previous investments on which that trade was based would be lost. Americans also could not see any connection between the tariff and the repayment of the war and reconstruction loans which the Allies had contracted during and immediately following the war. Both the war debts and most of the private loans made during the 1920's were defaulted after the crash of 1929.

Thus the United States was isolationist in both politics and economics. She tried to shut out "alien" ideas by a witch hunt for radicals in the early 1920's, at a time when similar "Red" scares were proving politically useful to conservatives everywhere. Immigration, especially from impoverished Southern and Eastern Europe, was drastically restricted. The United States sought to insulate herself from war by the isolationist and pacifist neutrality acts of the 1930's. American isolation was to work for the benefit of the aggressors.

XIV

THE PACIFIC SETTLEMENT

In the meantime Japan had taken advantage of the European war and of a revolution in China to flout the doctrines of the Open Door. The leader of the Chinese revolutionaries, who were strongest in the treaty ports of the south and east, was the Christian Dr. Sun Yat-sen. Sun's "Three Principles of the People" were National Democracy, Political Democracy, and Economic Democracy. Under Sun's leadership, the Manchu monarchy was overturned in 1912, but the new Chinese republic was soon dominated by General Yüan Shi-kai, the first of the modern war lords, who tried to make himself emperor. From 1914 until 1926 China was dominated by the war lords, politicians with private armies, who fought and bargained among themselves, with the shadowy central government, and with the Japanese and other foreign interests. In the confusion, Japan had a free hand. In 1914, she took all of the German Pacific colonies north of the equator, and the German concessions on the Shantung Peninsula in North China. The next year she presented China with "Twenty-One Demands" which would have made China a Japanese protectorate. China yielded to some of these demands, and might have been forced to accept all of them if they had not been revealed to the United States government. In 1918, as part of the Allied intervention against the Bolsheviks, Japan took over eastern Siberia. With the United States, Britain, and France engaged in Europe, little could be done to uphold the Open Door in China. At Paris, President Wilson agreed to Japan's retention of the Shantung concessions, in order to get her into the League of Nations.

By 1920, the United States battle fleet was back in the Pacific, and Japan, the United States, and Great Britain were engaged in a new naval race. Because of the cost of such a race, and because of the general situation in Eastern Asia and the Pacific, an international conference met in Washington in 1921 to limit naval armaments and to consider the whole Far Eastern question. The Washington naval treaties stopped battleship construction for ten years, limited the size of battleships built thereafter, and fixed a ratio of 5 : 5 : 3 for the capital ships of Britain, the United States, and Japan. France and Italy accepted tonnage ratios of 1 : 67. The United States agreed not to fortify Guam, the Philippines, and the Aleutians. The Japanese would not build bases outside of Japan proper, and Britain would not modernize the obsolete fortress of Hong Kong. The Anglo-Japanese alliance was abrogated and Japan pulled out of Shantung and Siberia. In the Four-Power Pact, the major colonial powers in the Far East (Britain, Japan, France, and the United States) agreed to respect each other's colonial territories. The Nine-Power Pact pledged all the powers interested in China to the Open Door policy and "to provide the fullest and most unembarrassed opportunity to China to develop and maintain for herself an effective and stable government."

The Washington treaties were followed by a decade of international peace in the Far East, and the founding of an effective Chinese national government. A revived Chinese nationalist party in 1925 marched north from Canton to unify all China. The war lords' armies, which were not inspired by nationalism, could not oppose Chiang's Russian-trained political propagandists or his German-trained military machine. When the nationalists reached central China, the working arrangement between Chiang and the Communist element in the Kuomintang broke down, and Chiang attained a personal domination of the party with the support of its right wing, the landlords, and the bankers and merchants of Shanghai. Thus reenforced, Chiang turned on the Communists, who controlled only small pockets of territory in the interior, and then moved on Peking to complete the theoretical union of China under the nationalist government. Actually, unification was incomplete, since the nationalist government struggled, merely to preserve itself, against the Communists, the war lords, and later the intervention of Japan.

In 1925 Japan introduced universal suffrage, but the parliament which represented this widely increased electorate still enjoyed only limited powers. As in the 1914 German or Russian constitutions, the emperor and the business and military classes around the throne controlled foreign and military policy. The same groups had refused to consent to universal suffrage until the Diet had fixed a death penalty for

attempts to change the constitution or the system of private property.

The industrialization of Asia was greatly stimulated by the First World War, when Britain, Germany, and Russia were unable to supply their export markets. While Britain's textile exports were cut in half, Japan's total exports tripled. In the 1920's, Japan (the leader in Asia, as Britain had been first in the field in Europe) retained much of Britain's Asiatic textile market and added a wide assortment of other light consumer goods, of the types which Germany had once sent to Asia, Africa, and Latin America. By 1930, one of every three Japanese industrial workers made textiles or clothing from imported raw materials. While the rural population, living on farms averaging less than three acres, remained constant, a million new Japanese annually crowded into the cities. There they were increasingly dependent on imported food, or, as in Germany, on food grown with the help of imported fertilizers. Twenty per cent of Japan's food supplies (which altogether were only 6 per cent above a subsistence minimum) were imported by 1930. The ownership of Japanese industry had always been remarkably concentrated, but the turn toward heavy industry which resulted from threats to Japan's interests in China, and from the depression of 1929, rendered it even more compact. Thousands of home enterprises were driven into bankruptcy during the depression. By 1937, when Japan invaded central and north China, fifteen family combinations controlled two thirds of Japan's trade and industry.

XV—XVI

SOVIET RUSSIA

The approach of the first half of this synopsis has been international. The next thirteen topics touch on the developments within the major national communities of the themes of this course: capitalism and the challenges to it; the problems of war and peace among the states; the contest between liberty and authority within them; and the faiths men live and die by. At least three national events—the Communist revolution in Russia, the Nazi revolution in Germany, and the American depression—had world-wide repercussions.

The first of these three events was the paradoxical triumph of a Marxist revolution, custom-designed for heavily industrialized states, in backward, agrarian, authoritarian czarist Russia. In March, 1917, under the strain of war and defeat, the hopelessly incompetent czarist monarchy collapsed. The vacuum was filled by a Provisional Government consisting chiefly of bourgeois members of the unrepresentative

Duma which had been set up after the revolution of 1905. For the third time in sixty years, the czar's armies had been defeated; for the third time, defeat gave a great impetus to the forces working for social reform. The leading spirit in the Provisional Government was a Socialist Revolutionary, Kerensky, one of the popular heroes of the revolution of 1905. The Provisional Government wanted to continue the war. Its reforms went no further than the eighteenth-century freedoms of speech and assembly, and the calling of a constitutional convention to meet after the war to set up a Russian republic. In a paralyzed country that needed desperate action, the middle-class liberals who surrounded Kerensky notably failed to satisfy the soviets (councils) of workers, peasants, and soldiers that had sprung up in the army, the factories, and the villages. In the next six months, the soviets were infiltrated by the Bolsheviks, the fanatical, disciplined, radical wing of the socialists. The Bolsheviks were ably led by Lenin and other professional revolutionaries, who had gained an enormous fund of practical revolutionary experience from the events of 1905. The Bolsheviks promised land, peace, and bread to the Russian masses, and organized a revolutionary workers' militia to overthrow the Provisional Government. Through the summer of 1917, the Russian state, and the Provisional Government's control of events, continued to disintegrate. Transportation, communication, and trade broke down still further. The workers were seizing the factories; the peasants divided the landlords' estates; the soldiers shot their officers and went home. Finland, Esthonia, the Ukraine, the Transcaucasian states, Siberia, and enemy-occupied Poland and Lithuania declared their independence. In this situation, the soviets, now run by the Bolsheviks and the peasant radicals who were allied with them, overthrew the Provisional Government on November 8, 1917, and soon controlled the Petrograd-Moscow area.

The Bolsheviks immediately acted to make good their promises. They allowed the peasants to divide up the estates; the workers organized to run the factories. The government expropriated the banks and all public utilities. At the same time, the Bolsheviks tried to organize a new police force, a new bureaucracy, and a new army. In March, 1918, they reluctantly signed peace with the Central Powers (the Treaty of Brest Litovsk) which cost them all of the western border states, the Ukraine, and parts of the Caucasus.

The survival of the Bolsheviks (or Communists, as they now began to call themselves) was a miracle. It was hard enough to run a ruined country. But they were also attacked by Russia's ex-allies, the border states which had seceded, and counterrevolutionaries throughout Russia. In 1918-1919 the Bolsheviks had to contend with Kolchak and the Czechs

in Siberia, Denikin and then Wrangel in the south, and Yudenich in Esthonia, each leading anti-Bolshevik armies of various hues, each financed and armed by the capitalist states. Behind the White armies were Allied expeditionary forces: the Americans, British, and Japanese in eastern Siberia; the British, French, and Americans at Murmansk and Archangel; the British in the Caucasus, Batum, and Baku; and the French and Rumanians at Odessa. In 1920 the Poles, supported by the French, in a deliberate grab for territory, attacked in conjunction with Wrangel. After wild extremes of fortune, the Bolsheviks liquidated the Polish war by handing over more territory than even an Allied Commission (headed by Lord Curzon) had thought proper for Poland. By the end of 1920, however, the Bolsheviks had beaten the counterrevolutionaries, and Allied forces had been withdrawn from European Russia.

The civil war in Russia had been fought along class rather than territorial lines, though the Bolsheviks had never lost control of the pivot of Russian industry and transportation in the Moscow-Leningrad area. The Bolsheviks' chief support came from the industrial workers, spearheaded by the superbly disciplined Communists, who neither asked nor expected quarter in the bitterest struggle since the wars of religion in the seventeenth century. Though the White regimes paid some lip service to democracy, the chief posts in their armies and governments went to the old privileged classes, landlords and big merchants, aristocratic officers, and higher ecclesiastics. Whenever the Whites temporarily occupied a stretch of territory, they wreaked the cruel vengeance that always accompanies the return of an ousted privileged class. The actions of the Whites appalled the members of the Allied expeditionary forces, as their military incompetence was the despair of their military advisers. The foreign connections of the Whites disgusted many Russian patriots, and their administrative practices strengthened the Reds' propaganda that this war was really a struggle of the poor against the rich, of workers and peasants against capitalists and landowners, of all Russians against outside invaders. The peasant 85 per cent of the population tried to resist both the ruthless Bolshevik grain collections to feed the starving cities, and the return of the hated landlords. In the end, the peasants probably felt that the Bolsheviks were the lesser of two evils. The Bolsheviks at least promised them that grain requisitions would cease, while the peasants felt that the Whites would give the land back to the landlords.

In the end, Russia lost the buffer areas which had been acquired by the czars since the days of Catharine the Great. The new Rumanian frontier came almost to Odessa, and Russia's position in the Black Sea was weaker than it had been since the Crimean War. The Polish

frontier reached nearly to Smolensk and Kiev (approximately as in 1772), and Russia's position in the Baltic was weaker than it had been since the time of Peter the Great (1721). The new Slavic states in Eastern and Central Europe, instead of being friendly, were bitterly anti-Russian and anti-Bolshevik. Every move toward social reform in those new states was labeled by their ruling classes as a Red threat to national independence and social stability; and these same ruling classes seemed perfectly capable of combining with the capitalists of Britain and France (or even of Germany) for a new attack on the Soviet Union. Instead of bolstering the new Eastern European states against German aggression, Communist Russia was a potential enemy of the whole treaty system, and, on that account, a potential collaborator with Germany. The Western Allies' fear of Communism, in turn, became one of the Nazis' most powerful propaganda points in their drive toward totalitarian rule in Germany and the domination of the European continent.

If the Bolshevik regime were not the natural enemy of the Paris settlements, the Allies had done their best to make it so. Like Germany, the other great power in Eastern Europe had received treatment harsh enough to antagonize it but not severe enough to destroy it. Soviet Russia's foreign policy, like her internal policies, is compounded of Communist theory and the historical drives of czarist foreign policy. Since 1600 Muscovite Russia had been expanding, especially toward warm water, a safer western frontier, and the vast interior plains of Asia. To further their push against the decaying Ottoman and Hapsburg empires, the Russians had compounded Pan-Slavism from orthodoxy, nationalism, and sentimental racism. The Communists, one of whose principal Marxist tenets is opposition to nationalism, have managed to act like good Russians in matters of foreign policy. In times of peril, the Communists have rallied Russians to fight for Mother Russia, and have even dusted off the Russian Orthodox Church and used it to make a patriotic appeal to the communicants. The old Church, however, is by no means as potent as the new Communist religion, which makes as powerful an appeal to the faithful and supplies as much dogma and as many icons as the old Church ever did.

To expansion and Pan-Slavism, the Communists added fear and missionary zeal as driving forces in a foreign policy. The sacred books of Marx and Lenin taught that the Communist system could not exist in a single state. The forces of international capitalism would throw their united strength against the first state where the revolution had succeeded. From 1917 to 1941 Marxist-Leninist theory was re-enforced by bitter experience. The Soviet state was attacked by the Allies in

1918, by Poland in 1920, by the Japanese in the 1930's, and by a great Hitlerian coalition in 1941.

Fear motivates all Russia's international relations. The safety of the revolution rests in a strong and fanatical army and people, and in promoting world revolution. In 1919, the Third International, the Comintern, was founded in Moscow, to help on the disintegration of a capitalist order, which, according to Marxist-Leninist theory, was collapsing anyway. Ostensibly a world union of the proletariat, the Comintern has been used as an instrument of Soviet Russian policy. In times when Russia feels the need of foreign support, as during the period of Russian cooperation with the League powers against Germany in the middle 1930's, foreign Communist parties cooperate with other democratic and leftist elements. In other times, shrewd Moscow-trained agitators attempt to undermine the capitalist order, parliamentary government, and the democratic socialist parties which rival the Communists in their bid for the working classes. All the bewildering shifts in Russian foreign policy since the Revolution can be traced to this combination of national Russian interests with the ideal of a world revolution.

The dictatorship of the proletariat, theoretically a step toward the final abolition of the state, has never been relaxed. The old-fashioned, incompetent czarist authoritarian state has been replaced by a streamlined totalitarianism, a state which set the pattern for totalitarianism everywhere: a single legal party, a secret police, and the intimate regulation of all aspects of human life. Before Russia could either defend or advance the revolution, she had to grow immeasurably stronger.

From 1921 to 1928 the devastated country's need for a breathing spell produced a temporary slackening of the revolution (the New Economic Policy), and a retreat from the principles of "pure" Communism. The peasant, who resented having his produce confiscated for the urban workers, had gone on an unorganized sit-down strike; he had stopped producing. The Bolsheviks didn't even give him kerosene, vodka, and matches. After 1921, Lenin permitted the peasant to sell his surplus on the open market, after paying a grain tax which was much smaller than the old landlords had demanded. Small private businesses were allowed to turn out light consumers' goods, and even to hire (and, thus, in Marxist theory, to "exploit") other workers. The Bolsheviks even tried, without much success, to induce foreign capital to invest in Russia (and theoretically, to "exploit" the whole Russian people). But the basic industries, transportation, and banking (the "commanding heights" of a modern economy) were still owned and operated by the state. Meanwhile a new generation, in a country which contained a great majority of young people, was trained in the new

official theories and the new machine techniques. Great numbers of older people, in the most illiterate of European states, were taught to read and write, and hosts of backward Asiatics were similarly "modernized."

Lenin's death and deification in 1924 would have precipitated a real struggle for power if Stalin, the "leg man" and "hall-sweeper" of the old Bolshevik Underground in the great days of the Revolution and Civil War, had not entrenched himself as secretary of the Communist party. Trotsky, who had organized the Red army and led it to victory in 1920, had aspirations to the succession but found himself in an increasingly precarious position, and finally went into exile. The split between these men divided world Communists into two sects.

Besides the naked fight for power, there were supposed to be ideological differences between Stalin and Trotsky. The proper interpretation of Lenin was as difficult as the proper interpretation of Marx. Trotsky was a "pure" Leninist, in spite of the fact that he had often opposed Lenin. Trotsky believed that the first mission of the regime was to promote the world revolution. But at the time, Stalin concluded that the world revolution was a failure. The best place for the "inevitable" collapse of the capitalistic order had been highly industrialized, defeated, hungry Germany in 1919. The Germans had not voted for Communism when they had the chance, and the German Social Democrats, the best organized and most numerous of all the continental socialist parties, had supported the army in putting down the attempts of the left-wingers to set up soviets on the Russian pattern. The Communist regime of Béla Kun in Hungary had been overthrown in six months. The Communists had lost their foothold in the Chinese Nationalist movement. About the same time, a general strike in England, the seat and citadel of world capitalism, had failed in a manner that made a mockery of the Communist idea that a general strike was a sure prelude to revolution. Russia was weaker in 1928 than she had been in 1914. International capitalism, seemingly fully recovered from the effects of the war, was booming. Continued Russian-sponsored Communist agitation would only provoke a new armed intervention, which, this time, would crush Russia and the revolution once and for all. The "scientific" analysts of world economic trends in Moscow were as unable to predict the approaching world depression as were the Wall Street businessmen.

As a result, Stalin subordinated world revolution to the upbuilding of Russia. In 1928, he instituted the Five Year Plans, to develop Russian heavy industry. Russia was possessed of large natural re-

sources. But their exploitation involved the building of transportation, of power plants, and of a wholly new industrial plant in the interior. It also involved the importation of foreign machinery and foreign technicians, to be paid for out of exports of raw materials. The products of the effort were plowed back into more plants. Russian steel production tripled from 1932 to 1940 (from 6 to 18 million tons). Russia's industrial labor force grew to 35 millions, behind the United States (45 millions), but ahead of Germany (30 millions), and Britain and Japan (20 millions each). Output per man-hour was almost equal to that in Germany or Britain at the outbreak of the war, though still far behind that of the United States. Because of concentration on building a plant, on armament, and now on reconstruction, the Russian consumer has perforce been neglected.

The other main aim of the Five Year Plans was the collectivization of the farms, to wipe out a focus of anti-Communist ownership sentiment, to promote increased mechanization and production in agriculture, and to free labor for the factories. The collectivization was accomplished only after civil war with the villages. The peasants had supported the revolution in the first place in order to own their own tiny farms, and not to promote the Bolshevik revolution. In this great "fraud on the peasants," which Lenin had planned but had been unable to carry through, Stalin took away the lands which the revolution had promised them. The peasants, as in 1921, refused to produce, or destroyed food rather than hand it over to the government. But this time the government did not retreat. The peasants were ruthlessly killed, starved, or sent into forced labor, producing scenes in the Ukraine in 1932 which were reminiscent of the winter of 1921, when millions had died of hunger.

Opposition from within the bureaucracy, the party, and the army, treason of conspirators with Japan and Germany, Trotskyite plotting, or the fright of the dictator who could brook no rivals led to the extensive purges of 1931-1938, in which many Old Bolsheviks and men in key places were executed. The purges increased the detestation in which the dictatorship was held abroad, and also the fear that Russia would be little help in the coming war with the fascists. Whatever the theory of the new "democratic" constitution adopted in 1936, the Party (an elite of about one to four million) ran Russia. The Central Committee ran the party. A Politburo of a dozen men ran the Central Committee, and Stalin had taken Lenin's position as the unchallenged head of the whole system.

XVII

FASCIST ITALY

In Italy, as in Russia, the First World War brought to a head the long-accumulated grievances of the peasants and the proletariat. The Italian constitutional monarchy had done little for the masses, while burdening them with armaments and heavy taxation. Universal suffrage was not established until 1912. Half of the total population and three quarters of the peasants were illiterate. The Italian labor movement, like the Russian, had a violent and revolutionary history, including the assassination of the king in 1900 and a bloody general strike in 1904. The outstanding politician of the prewar period was Giolitti (prime minister in 1892, 1903-1909, 1911-1914), a masterly parliamentary "dictator" who ruled through a succession of mixed and corrupt majorities in the Chamber of Deputies. In 1917, after the battle of Caporetto, Italy was saved from defeat only through the timely aid of Britain and France; and the Italian economic structure was badly shaken by the German submarine blockade in the Mediterranean. At the close of the war, in Italy, as in Russia, the peasants began to divide up the great estates, and a wave of strikes paralyzed heavy industry and transportation. The Italian socialists were revolutionary enough to terrify the conservative classes, but not strong or disciplined enough to carry through their revolution. At the same time, Giolitti, who became prime minister for the last time at the height of the strikes in 1920, was neither able nor willing to put through vital social reforms or to use armed force against disorder.

Disorder on the left provoked violence on the right. The landlords and industrialists backed the new Fascist party of Benito Mussolini, whose black-shirted squads of hoodlums and returned veterans furnished a convenient means of terrorizing labor organizations and any other opponents of the Fascist's backers. Fascism's original program had reflected Mussolini's socialist background, but the party grew most rapidly when it became openly anti-Communist, anti-democratic, and violently nationalistic. The Fascists wanted "leadership" and "action." They spurned democratic procedures. Their one idea was "to get power and to keep it." In Italy this was no novelty, since the prewar parliamentary politicians of Giolitti's stripe had always been more concerned with staying in power than with solving the economic and financial problems of the nation.

In 1919 the Big Three at Paris had rebuffed the demands of Italian nationalism, which fed on the "myth" of the Italian people as the rightful inheritors of Rome's rule over "Our Sea," the Mediterranean. Since

unification, Italy had attempted to play the role of a great power without the resources of one, and in comparison with other imperialist states, had not been very successful. An attempt to conquer Ethiopia in 1896 had been a failure. All that the Italians had acquired by 1914 were the deserts of Libya and the Somaliland, Eritrea, and the Greek-inhabited Dodecanese Islands. When Italy deserted the Triple Alliance for the Triple Entente in 1915, she had obtained from the Allies clear and specific promises of territory: those sections of Austria-Hungary (her traditional enemy) inhabited by Italians, the Dalmatian west coast of present-day Yugoslavia, part of Albania, and an equal share in the German African colonies and the Ottoman Empire. Of these demands, only the first was granted. Giolitti put up with the "humiliating" Versailles Treaty in the same way that in Italy itself he had tolerated disorder on both the right and the left. He withdrew the Italian army from Turkey and Albania in the face of native revolts, and signed a treaty acknowledging Yugoslavia's possession of Dalmatia and the independence of the free city of Fiume. This provoked the nationalist poet D'Annunzio to seize Fiume in defiance of both the Italian government and the Big Three.

The Fascists were given power by the king in the face of a threatened *coup d'état,* the "March on Rome" in October, 1922, and then gradually established a monopoly of government (1923-1926). The parliamentary machinery gave way to a "corporate state," designed to subordinate labor to capital, and the productive forces of the country to the ends of Fascist policy. The Church was conciliated by the Lateran Accord (1929) which settled the "Roman Question" dating from 1870.

While overt opposition to the government was impossible, it appears that the ingrained political cynicism of the Italian, in which he had been confirmed by the unsavory character of both Fascism and the preceding parliamentary regime, prevented him from selling his soul to the party. Besides, while the Italians might be imperialistic, they had no liking for the German alliance into which Mussolini's Ethiopian, Spanish, and Albanian adventures had forced them. Mussolini, unlike the weaker and more cautious Franco, "rushed to the aid of the winner" in June, 1940, but Italy's total share in the Axis loot was somewhat less than that which Hitler awarded Hungary. When the Allied invasion forces were completing the conquest of Sicily in 1943, Mussolini was overthrown by the king and Badoglio, who had so conspicuously failed to preserve "order" in 1922. For Italy, as for France, Yugoslavia, Greece, and Hungary, conquest by, or collaboration with, the Nazis had the same results—German domination and foreign and civil war. When the retreating German armies made the Italian peninsula a shambles, Fascism

and all its works were thoroughly discredited. A vigorous political life reappeared in Italy. The monarchy was voted out as opinion moved toward the left. Communism rose stronger than before, from the ruins of the Fascist order which had attempted to destroy it, and became the central issue of a bitter political and ideological conflict.

XVIII

GERMANY: THE RISE OF HITLER

Fascism reached its fullest expression and maximum power in the great German state. Compounded of nationalism, racism, statism, mysticism, and violence, German fascism claimed to be antidemocratic, anti-Marxist, anticapitalist, and anti-internationalist. None of these attitudes or emotions was unique with the Germans. Racism, for example, is only too familiar in the United States. What made the difference and the trouble was that the attitudes received the full sanction and support of the government, and the policies they engendered rode on the back of the best army and the most powerful industrial apparatus in Europe. Postwar Germany, like the rest of Western civilization, was faced with the problems of economic insecurity and of national pride and fear in a world of conflicting ideologies. As in the case of other countries, the manner in which the Germans approached these problems was affected by their history and traditions.

Germany had been unified by Prussia, and through methods which were in accord with the Prussian tradition, by a diplomacy which used a superbly organized army and deliberate, aggressive war as calculated instruments of national policy. Prussian militarism thus became part of the psychology of the new German Empire. Through most of its history, Prussia, like the other Eastern European absolutisms, had been rural. Its government had been staffed and its armies had been led by the landowning Junker aristocracy. After 1870, Germany was rapidly industrialized, and the new industrial capitalists shared political power and influence with the old ruling group. In conformity with Prussia's authoritarian traditions, Bismarck had not established genuine parliamentary government in the new empire of 1871. Though the lower legislative house was elected by universal manhood suffrage, the executive, the chancellor, was responsible only to the emperor. But the same industrial development which brought great fortunes to the big businessmen, also enlarged the numbers of the small businessmen and created a strong industrial proletariat. By 1914, these city workers had organized a strong labor union movement and a strong Social Democratic

party. In sharp contrast with the loose organization of most French or British political parties, the German (and Austrian) Social Democrats had set up a tightly integrated machine. They were closely associated with the largest labor unions, and included tightly controlled journalistic and youth organizations. The party program was revisionist socialist, that is, it agitated for immediate reforms, responsible ministerial government and advanced labor legislation. By 1914, the Social Democratic party was the largest in the lower house. With the democratic middle-class liberals, and the Catholic Center party, who also wanted responsible government, they formed a majority of the deputies. The industrial capitalists and the big landlords were behind the emperor and the semiauthoritarian constitution.

The prevailing theory of government in Germany went back to Fichte and Hegel, the greatest German philosophers of the nineteenth century. They had reversed the eighteenth-century idea that government is instituted to preserve the rights of the individual, and taught that the state was the highest expression of society and that the individual attained fulfillment only through membership in the state. Nationalism was superimposed on this theory, the state and the nation being virtually identical. Social Darwinism, which envisaged international politics as a struggle for existence between national groups (state and nation now being thought of as identical), and glorified war as a biological and social necessity, became part of this complex of German political ideas. The same ideas were also applied to the relationships of groups of people within the state to one another. Nietzsche proclaimed that as man had evolved to his present form, so supermen might evolve from men, by *willing* themselves, by struggling to develop the powers inherent within them. In this struggle, the Christian "slave" morality of humility and mutual aid was clearly contrary to the laws of biological survival of the fittest. Anti-Jewish feeling, which existed in every country, had found expression in Germany in a small political party. A racialist theory, explaining the rise and fall of civilizations on a racial basis, had also been developed by German, French, and English writers. These men believed, without scientific foundation, that the mythical Aryan race was the most gifted of all races, that the Nordics were the most gifted of all the Aryan peoples, and that the present-day Germans were the purest existing strain of the Nordics.

German economic thought had been nationalistic and protectionist from its beginnings, and German nationalism grew less and less liberal and more and more militaristic and mystical as Germany grew stronger. The Prussian conscript army and the Prussian school system, the best of their kind in Europe, had been adapted to the empire. They both

attempted to inculcate in the masses a supreme devotion to German nationalism. After Bismarck's retirement in 1890, the Kaiser's government, with Kaiser William II playing a decisive personal role, tried to make Germany's power and influence felt in every quarter of the globe, to sell German goods and German ideas, and to remind the "lost" Germans who had settled overseas or in Eastern Europe of their German heritage. Neither the government nor the people desired world dominance, but they wanted their "place in the sun," a world importance commensurate with Germany's new political and economic power.

In 1918, this proud, prosperous, and powerful people had been defeated. The idea that Nordic Germany had been beaten by other nations was absurd. An immediate propaganda campaign spread the theory that Germany had been stabbed in the back by the Jews, or Communists, and had been betrayed by the broken promises of the Allies.

After defeat, the Social Democrats, the middle-class liberals, and the Catholic Center cooperated to establish a republic. Though the postarmistice confusion offered the Social Democrats the chance to seize the means of production, they aided the middle-class liberals in suppressing the sporadic outbreaks of the Communists, and the armed nationalist bands which had begun to plot a counterrevolution. The Communist leaders, Rosa Luxemburg and Karl Liebknecht, were lynched on their way to prison, and an armed nationalist band assassinated Walther Rathenau, the Jewish industrialist who had organized German war production. These events exasperated the hatred of the Communists for the Socialists to an extent unparalleled elsewhere, and further embittered the nationalists. Each of the greater political parties added a veterans' organization and armed groups of street fighters to its organization. In the later years of the republic, the struggles of the major parties, each with its army, its bureaucracy, its press, and its affiliated organizations, assumed the character of a civil war.

The Social Democrats and their liberal and Catholic allies did not break the economic power of big business, which disliked and detested the democratic regime. The landed estates of the Junkers were not expropriated. The leadership of the new German army remained with the officers of the old—outwardly loyal to the republic but still fundamentally conservative. The imperial bureaucracy remained in office. The weakness of the Weimar Republic was further increased by the catastrophic currency inflation of 1923, which left the wealth of the industrial capitalists and landowners intact but deprived the lower middle class of most of its savings. The inflation, in other words, ruined that class which would ordinarily supply the most reliable sup-

porters of a liberal republic, and improved the relative position of its enemies.

The opportunity of the antirepublicans arose from the failure of the republican ministries to solve the problems of national pride and economic insecurity to the satisfaction of many Germans. A nation accustomed to European importance and proud of its army could not forget defeat. The conditions of the Treaty of Versailles also rankled. Foreign Secretary Stresemann, the one genius in the republican government, refused to kick against the pricks. He attempted to effect the internal and international recovery of Germany by building on the Versailles treaty structure. He negotiated the Locarno treaties, secured the admission of Germany to the Council of the League, obtained foreign loans in the scaling down of reparations, and brought about Allied evacuation of the Rhineland ahead of schedule. The complete sincerity of his international policy may be questioned in view of the secret and illegal rearmament of Germany during his ministry, but on the whole his achievements were constructive. But Stresemann died in 1929, his policy of negotiation in any case had seemed to many to be too slow, the Allies blocked the Austro-German customs union in 1931, and the republican ministries seemed unable to regain that national significance for which many Germans longed.

The republican ministries also failed to solve the problem of keeping the capitalist industrial plant going at full capacity with full employment. The prosperity of German industry and commerce depended on foreign trade. After the disruption of the normal routes of exchange by war, German industry was gradually reintegrated into world economy and, with the aid of American loans, shared in the boom of the 1920's. But with the onset of the depression in 1929, the cessation of American loans, and the shrinkage of world trade, German production declined and unemployment increased until in January, 1933, six million people, one third of Germany's working force, were out of work. In dealing with the depression, the republican government was hampered by the multiparty system which prevailed here as in other continental democracies. No party ever had a majority. The Germans came to long for a leader who would act swiftly, energetically, and authoritatively, and who would bring security, prosperity, and pride once again to Germany. To many Germans, Hitler seemed to be just that man.

Hitler was a German fanatic who, embittered by defeat, had joined a small party which had a platform promising the Germans they could have their cake and eat it too. It had nationalistic planks: repudiation of the Treaty of Versailles, rearmament, *Anschluss* with Austria, and expulsion of the Jews from German citizenship. It thus made an appeal

to everyone, especially the military and industrial leaders. It also promised German socialism—not the Marxist international from which the lower middle class shrank, but "National" Socialism: dissolution of department stores, abolition of all unearned income, the breaking of "the bonds of interest slavery." In National Socialism those features by which each of the elder parties had tended to become a state within a state appeared in heightened form: the Brown House at Munich became the center of a vast network of various organizations which touched the lives of over two million "active" members. Nazi journalism and propaganda were superbly managed, while the introduction of the Brown Shirts and the exaltation of personal loyalty to the leader combined the features of the postwar private armies (as in Austria) with those of a regular political party. Their party meetings were successfully run on the pattern of religious revivalism, Hitler himself being, for Germans, an orator and demagogue of genius. The collection plate passed at these meetings financed the party in its early days. As the band wagon began to roll, the industrialists contributed, on the grounds that the Nazis would save them from the Communists and that they did not really mean their socialist threats.

Hitler's philosophy, or rather his hodgepodge of appeals, as expressed in his speeches and in *Mein Kampf*, made use of all the ideas and emotions sketched above. The repudiation of rational and liberal culture, the reliance on will and intuition, the glorification of the state, and the leadership principle can be found in his utterances. The mission of the master race and the superiority of its blood was one of his themes, as well as the cult of violence, conflict, and a heroic death. No use spinning out the constituent parts of the doctrines with which he played on the German people. They made, because of the history of that people, and the situation in which they found themselves, a powerful special and local appeal.

Nazism, however, had more than a local, German significance. It had a meaning for all Western civilization. Historic liberalism, Marxist theory, and Christianity all stressed the welfare and worth of the individual. Liberalism and Marxism both urged the application of reason to the problems of society. Liberalism believed in the adjustment of social problems through rational discussion among intelligent individuals in an atmosphere of freedom and in a spirit of peaceable compromise. Christianity deplored the use of violence. Nazism was thus antiliberal, anti-Marxist, anti-intellectual, and anti-Christian as well as anti-Semitic. We can now perceive that Nazism and Italian Fascism grew out of the ills and difficulties of Western civilization—economic complexity and insecurity, nationalism, and the decay in vitality of the old liberal,

Christian, and even Marxist ideals—ills which exist in every country, to a greater or less acute degree. If the difficulties become too great, as in Germany, any people may give up the attempt to solve modern complexity through the exercise of intelligence, integrity, and good will, which requires an effort, and surrender themselves to a mystic submergence in the group and to following the leader.

Even with the party organization and crowd appeal, Hitler did not win many votes in the 1920's. In fact, he never won a majority in a free election. But with the onset of the depression in 1929, the failure of the middle-class republic to solve it, and the growth of an army of the discontented, Social Democratic and middle-class parties lost in numbers and vigor. The Communists won more votes among the proletariat and the Nazis won the votes of the dissatisfied lower middle class until one third of the deputies in the Reichstag were Nazis.

But in the second election in 1932, the Nazi vote fell off, while that of the Communists rose. The peak of Nazi power seemed to have been passed, and the party was bankrupt. The capitalists and the landlords now saw their opportunity to destroy the republic and to tame the Nazis. The leaders of these two groups induced President Hindenburg to appoint Hitler as chancellor in January, 1933.

XIX

GERMANY: THE TOTALITARIAN STATE

The Weimar Constitution required an election following a change of chancellors. With the full force of the state to back his S. S. and S. A., his party and propaganda machinery, Hitler fell upon the Communists and seized their persons, their files, and their treasuries. The hysteria of the people was increased by the burning of the Reichstag building, which the Nazis attributed to the Communists and the outside world to the Nazis. Even so, the Nazis did not win a majority of the seats in the Reichstag; with their nationalist allies, they held 52 per cent. From the Reichstag (which subsequently met only to hear Hitler speak) he secured a dictatorship in March, 1933, by a law with the twentieth century's most ironical title: "A Law to Combat the Misery of People and Reich."

Hitler ruthlessly crushed opposition. "The night of the long knives," June 30, 1934, was a butchery of various elements that included the deluded wing of the National Socialist party that protested the absence of socialist measures. In point of fact, after brief efforts to solve the economic problem by measures similar to the New Deal,

Hitler embarked upon a war economy (after which there was of course no unemployment) and totalitarianism.

Totalitarianism is a meaningful word. No activity of the citizen, no field of thought or expression, is left unregulated or unguided. Marriage and sexual morals, taste in art and music, and the rearing of children are some of the subjects on which the totalitarian state issues authoritarian directions. On May 10, 1933, the cultural keynote of the Nazis was struck. The libraries were expurgated of books with the wrong point of view, such as pacifism, or books by persons whose noses were the wrong shape, and the forbidden literature was publicly and ceremoniously burned. The press, the radio, and the stage were taken over and told what to say as well as what not to say. The great German universities fell into service to Nazism without a struggle.

In economics there were the most rigid state controls on currency, on exports, on imports, and on industry, much after the manner of United States wartime controls. The Nazis tried to buy as little as possible and to trade by barter and promises. German agriculture, mixed up with "blood-and-soil" mysticism, was put into the hands of hereditary Aryan farmers whose estates were entailed.

Politically, totalitarianism creates that paradoxical nonsense, the one-party state, as in Russia, Italy, and China. The Nazi party alone was fit to conduct the politics of the Reich. The contests and quibbling of parties were earmarks of decadent democracies, and the cause of Germany's loss of greatness. Membership in the Nazi party was less exclusive than that of the Communist party, which was somewhat a closed corporation. The party itself, in the one-party state, becomes like a state—it has its army, its taxes, its courts.

The German government was, by 1937, made practically unitary. The individuality and the powers of the old states, the federal nature of the empire, disappeared, and Nazi gauleiters took over local government.

Nothing international is welcome in a totalitarian state. Out go the innocuous Rotary Clubs and Boy Scouts. And of course the churches must be attacked; they are international or supranational, they have money, they have power over their communicants, they command patronage, and they levy on the emotional loyalty of the individual. The totalitarian state has the same reasons for wishing to control the church that Henry VIII and the French revolutionaries had, and more besides. The plain truth is that the state and its Führer form a jealous god, and wish no competition. There was a small element in the Nazi movement that advocated a return to the old Teutonic pre-Christian

mythology, but the bulk of them favored the modern mythology they themselves had created. The Nazi assault upon the churches was their least successful endeavor. The Lutheran churches were forced to accept a state-appointed Reichsbishop; numbers of the Roman Catholics were arrested on various charges. This fight against Christianity was stopped by the war, during which German Christians supported their state just as Christians did everywhere.

In the field of labor, the Nazis organized the Labor Front, forbade strikes, and put on a few circuses (strength-through-joy vacations) and seemed quite successful in wooing the worker away from socialism and international trade-unionism.

The Jews were made a scapegoat and a safety valve. The savage Nuremburg laws of 1935 forbade intermarriage between "Aryan" and Jew. Successive laws deprived them of citizenship and jobs. Pogroms in Nazi Germany outdid those of the nineteenth century in Russian Poland. They culminated in a great nationwide, "spontaneous" orgy of brutality in November of 1938, following which the government confiscated the remainder of Jewish wealth.

Thus did Hitler organize his Reich to last a thousand years. It went down in rubble and flames in a decade, taking much of Europe with it.

XX

CENTRAL EUROPE AND THE BALKANS

For the 126 million people of the thirteen states which lay between Germany and Russia, the postwar era brought neither democracy, nor economic stability, nor national security. All of these countries, which had won their independence from the Turkish, German, Hapsburg, and Russian empires in the ninety years from 1829 to 1919, exhibited certain common features: extreme diversity of nationality and religion, a primarily agrarian economy, and a history of domination and conquest from one direction or another. The nineteenth century had seen the development of national consciousness in this area, and its first experiments with capitalism and representative government. The liberation of the small Eastern European peoples from foreign rule had been, in fact, the chief territorial change resulting from the war.

Poland (with 35,200,000 people) ranked after France in population among the European states. The total population of France's one-time allies, Poland, Rumania (20,300,000), Czechoslovakia (15,300,000) and Yugoslavia (15,200,000) was greater than that of Germany

(69,622,000) and Austria (6,660,000) together. There were three states (or four if Austria is included) with the population of Belgium or Portugal: Hungary (9,160,000), Greece (7,180,000), and Bulgaria (6,320,000). Finland (3,887,000) ranked with Denmark; Lithuania (2,879,000), with Norway. Latvia (1,950,000), Esthonia (1,134,000), and Albania (1,100,000) were the smallest states in Europe. All of them were handicapped by the perpetual problem of minorities, which in some cases formed nearly a third of the total population. The German and Hungarian elements were especially dangerous because of their former economic and political importance in the Hapsburg and Hohenzollern monarchies.

All of these thirteen states except Czechoslovakia were primarily agricultural or in the very early stages of the industrial revolution. Such industrialization as took place was promoted either through foreign private investors (whose holdings totaled about six billion dollars in 1938), producing the semicolonial economic status which such investments sometimes entail, or through state-sponsored cartels or monopolies. These countries were all hard hit by the depression of 1929. The larger states tried to meet the crisis by the usual methods of economic nationalism: tariffs, quotas, dumping, and currency manipulation; but measures which may have worked well enough for the great powers proved suicidal in countries like Poland or Rumania. The peasants were so poor that they simply stopped buying factory-made goods, and this forced industrial wages even lower. The Czech effort to foster a Danubian customs union broke down on the political opposition of the Austrians and the Hungarians, whose central strategic position made it also impossible to organize the Little Entente into an effective military barrier to Germany. Meanwhile the peasant population kept on growing at the rate of over a million a year.

Prior to 1914, a great stream of people had left this area for overseas, principally for the United States. By this means the population pressure had been eased and immigrant remittances had raised the low annual income (about eighty-five dollars per capita) of those remaining. After the United States closed its doors following the First World War, many more Eastern Europeans had to find work on the crowded farms or in the slight commerce and industry. The soils of Eastern Europe are much poorer than those cultivated in Western Europe or North America, the use of agricultural machinery and fertilizers is far less extensive, and the educational level of the workers is much lower. In Rumania, five times as many people worked each square mile of wheat land as in Denmark, for a yield per square mile less than a third of that in Denmark.

The increasing poverty of the masses bred social unrest, anti-Semitism, and reactionary governments. Except in Finland, Bohemia, and Austria, the middle class in 1919 was virtually nonexistent. The landowners, the army, and the Church had always dominated political life in this area. Even the most enlightened states in it had but lately emerged from feudalism. All of them except Czechoslovakia, Austria, and Finland were actually run by the small intelligentsia, merchants, landlords, army officers, small industrialists, and bankers. Though the political contests among these privileged groups were often very bitter, they all combined in keeping down the peasants. Communists in Hungary and an agrarian party in Bulgaria had set up brief dictatorships in 1919 and from 1919 to 1923, respectively, but both of these movements had been suppressed by the reactionaries. Most of the constitutions of these states provided for parliamentary democracy, but the system nearly always featured a monopoly of political power by one party. These parties, in turn, were often grouped around personal leaders, and spent their greatest efforts in arousing national hates and prejudices. With such a background, it is easy to see why coups d'états, punctuated by assassinations, followed one another in rapid succession. In 1939, all of the thirteen states except Czechoslovakia and Finland were open or disguised dictatorships.

The international relations of this region were marked by the efforts of Italy to replace French and British influence and by Hitler's conflicting attempt after 1933 systematically to bring the whole area under German economic domination. During the depression these peasant states were unable to dispose of their crops on the world market, and were forced to sell on credit to the Nazis in return for promises to furnish industrial commodities. Long before the Nazis moved into Austria (1938), Germany had recovered her 1914 economic hegemony of this area. The dismemberment of Czechoslovakia at Munich marked the formal end of collective security and of French and British influence.

During the Second World War, Germany occupied the whole region from Greece to Finland. While the Germans made some efforts to conciliate such Western peoples as the French or Belgians, the "inferior" races of Eastern Europe suffered the full fury of German plunder, forced labor, and racial persecutions. In the greatest of all the Nazi crimes against humanity, perhaps six million Jews perished, and the centers of traditional European Jewry were wiped out. Germany's defeat by Russia was accompanied in this area by social revolution, emigration of the old ruling classes, and deportation of the German and Hungarian minorities. There remain only the peasants,

a small middle class ruined by war and inflation, and a Communist-dominated proletariat. The efforts of Great Britain and the United States to establish parliamentary government in Poland and Rumania had met with complete failure by 1947. They contented themselves with propping up anti-Russian regimes in Greece and Turkey, and blocking Yugoslav ambitions for Trieste.

XXI

FRANCE

When the Germans began their drive to the West in 1940, all the gains of liberalism during the preceding century in Eastern and southern Europe had been wiped out. The authoritarian dictatorships which we have studied in Topics XV to XX had replaced the absolute monarchies which were the rule in those areas in the early nineteenth century. Only the French and Swiss Republics and the constitutional monarchies of the Low Countries, Scandinavia, and Great Britain were firmly democratic, in the areas where liberalism had originated. The old colonial rivals, France, England, and Holland still controlled the bulk of Europe's possessions overseas. The liberal powers still commanded the world's greatest highway, the sea; maritime trade; and much of the world's liquid capital. Britain and France were the only great powers still even nominally loyal to Wilson's dream of collective security. When France was conquered and England almost fell in 1940, the ideal of "Liberty, Equality, and Fraternity" was threatened with extinction.

That the government of France did not become fascist until the Nazi conquest was due to the strength and prestige of the French liberal tradition. From the revolution of 1789, authoritarianism and liberalism had contended for the control of France, with liberalism definitely winning the upper hand after the establishment of the Third Republic.

The majority of Frenchmen agreed that the successor to the Second Empire of Napoleon III should be a liberal regime, but, in form, a constitutional monarchy. To their minds, republicanism carried disquieting revolutionary connotations which the terrible struggle with the Paris Commune of 1871 did nothing to dispel. However, in view of the reactionary opinions of the "legitimate" heir to the throne, a republic was established provisionally. It gradually won general support and became identified with liberalism and democracy, whereas the dwindling number of monarchists became identified with authoritanianism and reaction. The final crisis of the monarchist-republican struggle was the Dreyfus

case, which included an attempt of the monarchists to use anti-Semitism to distract attention from the real issues. From 1900 to the war, the predominant elements in the leftist coalition which governed France were the Radicals and the middle-class Radical Socialist party. The Radical Socialists, like the English Liberals or the American Progressives, were radical only in their adherence to civil liberties and democratic government, and socialist only in standing for gradual social reforms. The coalitions put through separation of church and state (1905), state control of the educational system, the first system of social insurance in France, and the elimination of the monarchists from the army.

Since the days of Napoleon the political life of France has been concentrated in the national government. The Third Republic possessed a legislature elected by universal manhood suffrage and an executive (the cabinet) responsible to the legislature. Because of the French experience with two Napoleons, the executive was made weaker than the executive in Britain. Since the legislature, as in the other continental democracies, operated under a multiparty system, the ministry always represented a coalition, or bloc of parties. The bloc system does not increase political stability or responsibility.

The liberal-democratic character of French economic and social policy prior to the First World War stemmed from the predominance of farmers and small businessmen. A comparative lack of industrial resources and a numerically stationary population inhibited the growth of big business. The ownership of land was widely spread and France boasted a better balance between agriculture and industry than more heavily industralized states. During the course of the First World War, however, France, like most of the belligerents, operated under a highly centralized economic dictatorship. Industries were merged and mechanized, and the heavy industries at the top of the French economy were grouped into a series of interlocking directorates, especially through the Bank of France, a private central bank handling all state funds.

After the elections of November, 1919, a patriotic and conservative group known as the National Bloc cooperated with the Radical Socialists to govern. At the peace conference, this bloc tried in vain to obtain the Ruhr. Later, their costly occupation of that region in 1923 and loans to France's new eastern allies resulted in additional burden on the treasury and a rapidly declining franc. As a consequence, the Radical Socialists in 1924 re-established their old ties with the Socialists. This revived "Left Cartel" evacuated the Ruhr, accepted the Dawes Plan, and signed the Locarno Treaty with Germany. But the Radical Socialists and the Socialists could not agree on problems of finance and taxation;

in 1926, Poincaré, the old leader of the National Bloc, was recalled to save the franc and to reduce governmental expenditures. Poincaré stabilized the franc at about a fifth of its prewar value.

For a while, France's self-sufficiency cushioned the country against the effects of the 1929 depression, but by 1932 the budget was again unbalanced and unemployment was growing. In the elections of 1932, the Socialists made major gains, the Communists got their first large popular vote in French history, and semimilitary fascist leagues gave rise to the fear of a fascist coup d'état. The French fascist leaders, like their German and Italian counterparts, promised security and prosperity, if the state were only snatched from the corrupt parliamentary politicians and the "unpatriotic" radicals. The rise of a new right and of a new left faced the Radical Socialists with an acute problem: to relieve economic distress, restore full employment, and keep order without abandoning the parliamentary system or individual liberties. Two years of legislative demoralization climaxed in the Stavisky riots of 1934. The riots began as a royalist and fascist demonstration, with many young Communists joining in the fighting in the belief that the revolution had come. But the threats and promises, the coups and devious political maneuvers which destroyed Italian and German constitutional government, failed to overthrow the French Republic. In 1936 the Socialists, the Radical Socialists, and the Communists united in a "Popular Front" against fascism. In the elections of May, 1936, the Popular Front won a major victory; the revolutionary nondemocratic groups in France received less than half the support which the same elements had obtained in Germany in 1932. The Communists refused to enter the cabinet and take the responsibility for the Popular Front's fight against the depression, but voted to support the government on many measures.

The Socialist premier, Léon Blum, immediately introduced a modest French "New Deal": currency devaluation, a forty-hour week, "democratization" of the Bank of France, a state office to fix wheat prices, and the dissolution of the armed fascist leagues. But France had neither the financial nor the industrial resources of the United States, and France was much nearer to a rearmed and resurgent Germany. The Communists took all the credit for Blum's social reforms, then denounced him for his failure to go further. They attacked the government's inaction in Spain, but refused to support the government's program for rearmament. The rightists raised the bogey of Communism, a fear which was heightened by a wave of sit-down strikes, for which the Communists took responsibility. As a result, the Popular Front disintegrated within a year. A Radical Socialist ministry of national defense, under

Daladier, came into power and was in office when the war began in 1939. Socialists, Radical Socialists, and the conservatives as in 1914 formed a united front against Germany.

French rearmament, like that in the United States and Great Britain, had been too little and too late to prevent the outbreak of the Second World War, and to win it at the outset. The fall of the Popular Front had left the industrial workers resentful and embittered; and some French industrialists, like their German and Italian counterparts, were prepared to deliver themselves to Hitler rather than to risk another attempt from below against their position. Though the majority of Frenchmen believed that national defense took precedence over social reform, they had not been prepared to take away the liberties of those who disagreed with them. The French Republic failed to coerce either recalcitrant capitalists or recalcitrant labor. When in 1940 Germany invaded France for the third time in seventy years, France, to quote the bitter summary of Marshal Pétain, had "too few children, too few arms, and too few allies."

After the French military collapse, Pétain, then eighty-four years old, established the Vichy dictatorship, a system modeled after that of the Nazis. Prewar fascists like Jacques Doriot (a Communist turned fascist), venal politicians like Laval (a long-time advocate of collaboration with the Allies), army and navy officers like Darlan, and some big businessmen backed the Vichy government. But not all Frenchmen collaborated; many others listened to General Charles de Gaulle and the "Free French" government in London. These men from all walks of life and of all political complexions believed with de Gaulle that "France has lost a battle, but not the war. . . . Nothing is lost, because this is a world war. In the free world immense forces have not yet been brought into play. Some day these forces will defeat the enemy. On that day France must be present at the victory."

The first elections after France's liberation raised up three nearly equal parties: the Communists (here, as in Italy, the spearhead of the "Underground," and in control of the labor unions), the Socialists, who have replaced the Radical Socialists as the moderate group holding the balance of power, and a Catholic socialist republican party, the *Mouvement Républicain Populaire*. Much as in England, French policy in the days of reconstruction has been built around traditional parliamentary democracy. In spite of pressure from both Gaullists and Communists, the constitution written for the Fourth Republic does not essentially differ from that of the Third. Too many Frenchmen are still afraid of dictatorship.

France, like England, has nationalized many of her key industries,

as the most promising means of reconstructing her outmoded industries and transportation. Like England and Holland, France has tried to meet widespread native demands in her colonial empire by gradual steps toward self-government, though the French also hope to integrate their colonies more closely with the mother country.

In foreign policy, France feels the tug between the United States and Russia. With respect to Germany, she has revived her efforts of 1914 to assure French security and prosperity through the annexation of the Saar and the crippling of German heavy industry. This aim has again brought her into conflict with American and British policy.

XXII

GREAT BRITAIN

Democratic Great Britain, the mother of liberal government, was the only one of the three democracies which solved its nineteenth-century constitutional problems without revolution or civil war. Political liberalism in Great Britain was closely associated with economic liberalism. As the world's leading bankers and traders, the British opened markets and developed raw materials for the benefit of all. British sea power worked to maintain the balance of power and peace in Europe and insured a measure of peace overseas. But since 1880 economic nationalism, monopolistic imperialism, technical progress in other states, unrest among colonial peoples, and an increasing loss of faith in liberalism and laissez-faire capitalism have undermined both the free world market and Britain's leadership. By 1914 Britain imported more goods than she exported, making up the difference by income from investments and shipping. But the policy of free trade remained dominant. Joseph Chamberlain's proposals for a protective tariff and preferential trade agreements with the rest of the British Empire split the Conservative party and opened the way for a Liberal landslide in the elections of 1906. The Liberals, with their Irish and Labor allies, followed their victory with a program of social insurance and steeply graduated income and inheritance taxes (the work of David Lloyd George) to pay for it. They secured labor's right to spend union funds for political purposes, made progress toward Irish Home Rule, increased colonial self-government, and in 1911 curbed the legislative powers of the House of Lords.

Britain, like France, paid heavily for victory in 1918. Many investments were lost or expended, half the British merchant marine was sunk, and British export markets were invaded by the United States and Japan. Britain's financial leadership fell to the United States, whose

businessmen, conditioned by the spectacular triumphs of protectionism in a huge domestic market, were relatively unprepared to take the lead in promoting world free trade. Both the war and the world depression of the 1930's everywhere stimulated economic nationalism, that is, high tariffs, export and import rationing, bilateral trading, and currency devaluation. The British workers, whose living standards (reflecting Britain's old-fashioned production methods) had not risen appreciably since 1900, tried to retain their wartime wages by a series of disastrous strikes, which helped to bring on a sharp depression in 1921. After the defeat of Germany, the British, like the French, continued to be involved in expensive military operations abroad—in Russia, Ireland, India, Egypt, and Turkey. The results, in the elections of 1922, were a Conservative victory, the rise of the Labor party to the position of the official opposition, and the reduction of the Liberals to the position of a third party.

When the Conservatives under Bonar Law and Baldwin again proposed to abandon free trade, they lost enough votes to the Labor and Liberal parties to enable Labor to form a cabinet (under Ramsay MacDonald) in 1923. But the Liberals withdrew their support from Labor on the question of the recognition of Russia, and in 1924 the Conservatives gained a safe majority. Baldwin's government (1924-1929) still faced unrest in the coal mines, which culminated in a general strike in 1926. After the failure of the strike, Parliament made general strikes illegal, forbade picketing, and cut down the use of union funds for political purposes. At the height of the world boom in 1928, Britain's share in the world volume of international trade was only 14 per cent, as compared with 21 per cent in 1900. Germany's share had dropped from 12 per cent to 10 per cent, and France's from 8 per cent to 6 per cent. Almost a third of Britain's miners and shipbuilders, a quarter of the ironworkers, and a fifth of the textile workers were still idle. British steel production in the years 1925-1929 (7.6 million tons annually) barely exceeded the 1910-1914 average (7.0), while German production (14.1) was under the 1910-1914 figure (14.7). While American per capita steel consumption had almost doubled after 1913, that of the great Western powers (Germany, Britain, Belgium, and France) who had fought each other to mutual exhaustion, was nearly a fifth under that of the prewar period. For many workers in the depressed export industries, unemployment insurance had become a form of permanent relief, a dole supported by the general taxpayer. The resulting dissatisfaction caused the defeat of the Conservatives, and in 1929 another Labor government dependent on Liberal support was formed, just as a new and greater depression sent exports down again.

By 1931 Britain's gold reserve was almost gone. Over proposed remedies which included a cut in the dole, the cabinet of the Labor prime minister, MacDonald, split, and a serious crisis arose. MacDonald, without the support of his own party, formed a National Government to try to save the pound. Principally Conservative, this government (under MacDonald, Baldwin, and Neville Chamberlain as successive prime ministers) finally broke with the free trade, Open Door tradition, two generations after the other great industrial powers had done so. The National Government devalued the currency; adopted a protective tariff and Empire preference; guaranteed private investment in shipbuilding, shipping, and housing; and were to have bought out private coal operators by 1942. By 1938 half of Britain's total trade with non-Empire countries was being conducted under bilateral agreements.

When the 1929 depression struck the four great capitalistic powers (England, France, Germany, and the United States), the voters in each case threw out the parties in power. All four turned toward economic nationalism. In all four, the problem of unemployment was eventually solved by rearmament. All four countries, in spite of many political changes, entered the Second World War with about the same relative industrial strength they had possessed in 1914. American and French steel production in 1939 was slightly more than double that of 1910-1914. British and German production was not quite double. None of these increases can be compared with those of Russia or Japan, whose steel production was respectively four and one-half times and eight times as great as in 1910-1914. German production performed no miracles, but the Nazi totalitarian state put its people on a war basis five full years before the democracies awoke to their mortal peril, a peril partly due to the disastrous foreign policy of appeasement.

Appeasement had its roots in the quarrel between Britain and France over Germany at the peace conference. British and American businessmen held that German economic recovery was necessary to obtain world stability, and to stem the tide of Bolshevism that threatened to engulf all Central Europe. The same considerations led to appeasement after the rise of Hitler, in Ethiopia, Austria, the Rhineland, Spain, and Czechoslovakia. Hitler's emotional appeals to capitalistic solidarity against Communism were, in turn, re-enforced by the equally emotional pacifism of the British, French, and American masses. The pacifists felt that the failure of the First World War to settle Europe's problems meant that war would never settle anything.

In the Second World War Russia fought with her inexhaustible reserves of manpower, the United States with her unparalleled industrial machine. Britain, too, resisted the Nazis with what she had—the rest

of her resources as a world trader. The British wartime coalition government under Winston Churchill spent what was left of Britain's foreign investments. The war temporarily shut off practically all the rest of Britain's export trade, and war losses halved British shipping. For the first time in modern history, Britain became a debtor nation. The British borrowed sixteen billion dollars during the war, and an additional four billion dollars from the United States after the war to pay for the food, raw materials, and machinery needed during the reconstruction period. To make up for the loss of investments and other invisible exports and to pay back her debtors, Britain must increase the volume of her exports by at least 50 per cent.

In the election of 1945 the British Labor Party won its first absolute majority in the House of Commons (393 seats to 197 for the Conservatives, and nearly 12 million popular votes out of 23 million). The Liberals (with only 24 seats and about a tenth of the popular vote for both wings of a divided party), like the French Radical Socialists, have almost dropped from the picture. The Communists won 2 seats, and 102,000 voters in the constituencies where they put up candidates. In the five years before the next regular elections in 1950, the Labor government proposed to nationalize the Bank of England, the coal mines, fuel and power, transportation, and the iron and steel industry. The main export industries, textile, machinery, and pottery, are to be reorganized and furnished with additional state-guaranteed capital. A national investment board will direct the investment of private capital in other industries. The government's town and country planning and agricultural bills will, in effect, prohibit private initiative in determining the uses of either farm or city land. By 1950, 10 per cent of the working population, outside of the army and the bureaucracy, will be employed in nationalized industries. In the other 90 per cent of the British economy, private enterprise will be responsible for the organization of production and the marketing of products. It would be a distortion of terms, however, to call this "capitalism" as either Karl Marx or the average American businessman would understand that term. The Labor Party's program is very close to the ideas of the present governments in France, Belgium, and Holland. In all of these latter countries the accepted theory calls for a nationalized sector of the economy, including key industries and banks, a state-controlled but not nationalized sector, and a free sector. All parties in Great Britain have agreed to the general ideas of the wartime Beveridge plan for social services to provide adequate health, nutrition, and care in old age for everybody, and full educational opportunities.

The decline of Great Britain in world importance was part of a

decline of northwestern Europe as a whole. Together France, Britain, the Low Countries, and the parts of Germany occupied by French, British, and American forces possess the largest body of industrial workers to be found anywhere in the world. But northwestern Europe's industrial machines are worn out or destroyed. The whole area produced insufficient food, and possesses few raw materials except iron and coal. Prior to 1914, these Western European peoples largely dominated world politics, but they have become secondary to Russia and the United States. The problems of free access to raw materials, capital, and markets, and of a peaceful international order are now deeply affected by the actions of protectionist America, totalitarian Russia, and the newly liberated colonial peoples. Western Europe's failure to unite to achieve collective security has come close to resulting in collective suicide.

XXIII—XXIV

THE BRITISH COMMONWEALTH AND EMPIRE

Connected with Britain is a huge conglomeration of territories comprising a quarter of the area and population of the globe. These territories include the British Colonial Empire, the British Commonwealth of Nations, the Indian Empire, and several Near Eastern states with special defense agreements with Britain. The bulk of the British Colonial Empire lies in Negro tropical Africa, with a population of about fifty million (compared with thirty million under French and ten million under Belgian rule in this area). This undeveloped "tropical slum" is governed by trained colonial administrators, sometimes through native chiefs (a policy known as Indirect Rule), and sometimes through controlled representative assemblies, in which the native peoples are allowed to participate. With this group of African colonies may be included certain Caribbean territories (about three million people under British rule) and some remnants of the French and Dutch colonial empires elsewhere in the New World. The British portions of Indonesia include about five million people (as compared with twenty-four million in French Indo-China, seventy-two million in the Netherlands East Indies, and sixteen million in the Philippine Islands). Today (1947) Britain, France, and the Netherlands are all granting dependent peoples a greater voice in colonial administration, but progress toward democracy, here as elsewhere, is slow as long as 90 per cent of the people are illiterate and standards of living barely touch the subsistence level. All three countries hope to provide financial aid for their possessions, but none of the three can provide more than a minimum of export capital.

But control over backward peoples has not been the distinctive feature of the British Empire. The areas which make the British Empire different from all its competitors are: (1) the only world-wide chain of air and naval bases possessed by any great power, (2) the only white settlements outside of Europe still linked to the mother country (the British Commonwealth of Nations), (3) the great subcontinent of India, and (4) treaty arrangements with several states in the Near and Middle East, which give Great Britain a special position in one of the three centers of world oil production.

Britain's air and naval bases (Gibraltar, Malta, Alexandria, Aden, Trincomalee, Singapore, Hong Kong, and many others) are the backbone of imperial defense. British armed forces have always been raised with a view to Empire defense as a whole, and even in peacetime took from a quarter to a third of the government's expenditures. From these bases, Britain policed the seas and opened up vast areas to European trade. Behind their cover, Britain drew raw materials and manpower from overseas, while denying in war the same opportunity to her enemies. From these bases, the small British army could pick the time and place for its intervention on the European continent. Though many of these bases are administered as part of the British Colonial Empire, they should be clearly distinguished from the backward tribal areas which form the bulk of the British colonies.

The four independent dominions which, with Britain, form the British Commonwealth of Nations, are sparsely settled areas in the temperate zone, and contain the only large white population outside of Britain itself. Though Canada is larger than the United States, its population is less than that of New York State. Australia, which is almost as large as Canada, ranks with Illinois or California in population. The Union of South Africa contains about as many white people as Georgia, with a Negro population four times as great. New Zealand, the smallest of the dominions, has fewer people than Connecticut. Each of the dominions has evolved a separate nationality, with its own internal problems. All of them share the British heritage of parliamentary government. All of them cooperate with Britain through a flexible set of imperial institutions which express their common interests in defense, trade, and transportation.

By far the greatest number of people in the British Empire live in India, Ceylon, and Burma. India contains, after China, the largest single population group on earth. No other area of such a size is more distinct geographically. None is so diverse in race, customs, religion, and language. The British East India Company, in becoming India's "paramount power," respected most of the customs of the fossilized Hindu

civilization. In 1941, India was a political patchwork of 11 British provinces (with 296 million people) with nearly complete provincial self-rule, and of 557 native states (with 93 million people) in which the British ruled through native princes. Through irrigation and the improvement of transportation, the British have tried to eliminate famine, only to see India's population double since the first census in 1872, a phenomenon similar to the population growth of Japan, French Indo-China, and the Dutch East Indies. For every square mile of farm land, much of it submarginal, there are now 423 Indians. The farmer could not afford better equipment if he wanted it; but the old ways generally seem best to him anyway, both because they are old and because they are usually sacred. Like Japan and China, India was greatly affected by the expansion of the industrial revolution to Asia. The development of Indian industry after the First World War roughly paralleled that of China, both in its extraordinarily rapid gains, and in its concentration on light consumers' goods, such as textiles. Though profits drawn from India created the capital for the early British industrial revolution, Britain borrowed Indian money to fight the Nazis. Indian industry, now eighth in the world, is largely owned by Indians.

As more positions in the civil service were filled by Indians, an English-educated Indian class was created. From this group has sprung the predominantly Hindu Congress party, which first asked for a greater share in the government, and then for independence. In the period between the two World Wars, the spiritual leader of the Congress party was Mohandas K. Gandhi, a British-trained Indian lawyer who mingled ancient Hindu religious techniques with Western propaganda. Gandhi's program of returning to cottage industry and agriculture was hopelessly romantic, but his method of nonviolent resistance was used with great political skill. Nonviolence was the one technique for which the Hindu masses were prepared, and the one which would not bring Gandhi into conflict with the Indian industrialists and bureaucrats who financed the Congress party. Gandhi's method appealed to liberals and pacifists in both Britain and the United States, and was very difficult for humane British administrators to cope with. The Congress party's present political leaders, such as Nehru, hope to nationalize heavy industry, increase the productivity of the peasants' tiny plots, and gradually break down the archaic caste structure.

Of the elements outside the Congress party, the Moslem quarter of the population is the most unified. The Moslem states ruled India before the British came; Moslems and groups of certain other warrior religions (like the Sikhs), have traditionally formed the backbone of the British Indian army. The Moslem League, under Jinnah, demanded im-

mediate independence and the creation of a Moslem state (Pakistan) from provinces where there is a Moslem majority. The Indian Moslems possess a powerful lever on the British through their religious ties with the Near and Middle East. In 1946 the Labor government of Great Britain announced the intention of withdrawing from India when a constitution had been formed, but the various elements of that area were unable to agree upon a government. Nonetheless, being economically and morally unprepared to continue to maintain order in India, the British government served notice it would withdraw in 1948. In August, 1947, it enacted immediate interim dominion status for separate parts of British India. It also permitted the erection of a constitutional convention to work out freedom for Burma. Ceylon is in the last stages of government preparation for dominion status.

Finally, there is a group of states (Iraq, Palestine, Egypt, and Saudi Arabia) where British strategic and economic interests are safeguarded in somewhat the same manner that American interests are safeguarded in Latin America and the Pacific. Since the First World War, Iraq, Trans-Jordan, and Egypt (like the Philippine Islands) have won their independence under conditions designed to protect British defenses and economic interests, while in still other areas Britain gives military and financial support to friendly governments (Greece and Turkey). But unlike America's Pacific position, Britain's position in the Near and Middle East is under constant pressure: from Moslem nationalists for complete freedom, from the Jews in Palestine, and from the great powers (Germany, Italy, Russia, and France) which have impinged on this vital area for centuries.

XXV—XXVI

THE UNITED STATES

The United States came out of the First World War as the most important industrial and financial power in the world. But there were weak spots in her domestic economy. In agriculture the war had touched off the wildest boom in the history of the traditionally speculative American farm. With every acre and every machine producing profits, farmers had loaded themselves with debts to pay for additional land and machinery. When the boom broke, the farms were unable to carry their debts. Though a powerful bipartisan Farm Bloc tried to get governmental relief, their bills were vetoed by President Coolidge in 1927 and 1928, and the great industrial boom of those years coincided with a serious agricultural depression.

The spread of mass production techniques from heavy industries, such as steel, to consumers' goods, such as automobiles or household appliances, had lifted the American industrial economy out of the post-war depression of 1921. The new industries established in this period still further refined the use of machinery for assembling and manufacturing. As mechanization advanced, the percentage of fixed cost in the total costs advanced correspondingly. To pay for his expensive machinery, an American manufacturer had to sell an unprecedented number of units before he began to break even, with the profits largely coming from the units which he sold after a certain "break-even point" was reached. Once the "pilot" models had been tested and new machines built to make each part (the long process known as "tooling up"), American industry's assembly lines were able to turn out the greatest flood of goods in history.

The labor pattern of the automobile, electricity, and petroleum industries which set the pace after 1921 repeated what had been established earlier for the steel industry. Because of the minute specialization of the machine tools which made the parts for the finished product, the actual operation of the machinery could be left to unskilled or semiskilled labor. Eighty-five per cent of the jobs in an automobile factory could be learned in three days. The whole concept of unionization was as alien to the rural youth, the women, and the Negroes who were drawn into the automobile industry as it had been to the immigrants who had traditionally done the work in American heavy industry. The craft unionism of the American Federation of Labor (founded in 1886) was as powerless against such big new companies as Ford, General Motors, or General Electric as it had proved to be against the United States Steel Corporation. The big companies met all attempts at unionization with the procedures by which they had broken the workers' organizations in the steel industry in 1892 and 1919: by blacklists, labor spies, the discharge of union workers, and the use of the state militia and privately employed police. Because the pressure of fixed costs was so great, every effort was made to reduce the remaining labor costs by speeding up the assembly line (time and motion studies, and the like). By these means and further mechanization, the production per man in American industry rose enormously—82 per cent per man in petroleum refining, 103 per cent in steel, and 272 per cent in tires—in the period between 1914 and 1927. As a result, though the volume of all American manufacturers was 24 per cent more in 1926 than in 1920, the number of employed workers declined by 6.5 per cent. Money wages in the "mechanized" and highly productive steel and automobile industries were well below

those of the organized crafts, and the real wages in American manufacturing as a whole began to decline after 1925.

After about 1925, the year of peak demand, American industry found it increasingly difficult to get rid of its products. Since sectors of American agriculture had not recovered from the war, the farm market was considerably curtailed. The industrial workers were not paid enough to purchase all of the goods which their employers could produce. To sustain demand, the automobile makers resorted to various devices. Through the installment plan they lent money to consumers who would never have the fortitude to save enough to purchase as expensive an item as an automobile. To enlarge the export market (which took a fifth of the industry's total production, and the fifth which might mean all the profits), and to get behind foreign tariff walls, they established branches and plants abroad. Here, they profited indirectly from the loans of American investors which kept up buying power for American products. Through loans and salesmanship at home and abroad, the boom was temporarily sustained. The whole American economic system was geared to the assembly lines, to a continuously high level of home and foreign consumption, and to the continuing confidence of the bankers (and speculators) who financed both the producers and home and foreign consumers.

As long as demand could be kept up, and the system operated at capacity, all of these manufacturing and distributing operations made enormous profits (18 per cent of the national income in 1929, compared with a "normal" 10 per cent), which were plowed back into plant expansion or loaned to foreign and domestic consumers for further purchases. There was a wild speculative boom in which Americans of both sexes and every economic group, except the farmers, participated. While the small fry became seasoned "margin" (on credit) stock market gamblers, big operators like Samuel Insull obtained control of vast economic empires through the pyramiding of holding companies.

By the summer of 1929, some people who were watching the indices of production saw that profits could never match the fantastic prices to which stocks had risen, and they sold out. After September 18, stock prices declined and then crashed in the last week in October. Buying fell off immediately. As consumption fell off, manufacturers cut production and discharged workers, who necessarily curtailed their expenditures, and so on down in the familiar spiral of declining prices, declining consumption, declining production, and rising unemployment. As production declined, businessmen could not meet their relatively high overhead costs, and could not pay their bank loans. Banks which

also had been gambling on the stock market began to fail. As American bankers were unable to send money abroad, and American importers bought fewer foreign goods, the panic began to be felt in other capitalistic countries. In May, 1931, the largest bank in Central Europe went under and German banks and insurance companies began to fail. In June, President Hoover announced a year's moratorium on all intergovernmental debts and reparations, without halting the collapse of the whole German banking structure or the rise of the Nazi and Communist parties. By 1932, in terms of gold, world prices of commodities as a whole had declined by a third; those of raw material, by a half. The American steel industry was operating at 10 per cent of capacity, and agricultural prices were fantastically low. By 1932, more than 29 million workers in the industrial countries were unemployed, compared with 9.8 million in 1921, 6 million in 1923, and 9.3 million at the height of the speculative boom in 1929. Over a third of the world's total industrial labor was idle. Everywhere poverty reigned in the midst of plenty.

Republican President Hoover, perhaps thinking that the depression was due to a lack of confidence, resorted to conferences with business and labor leaders, to efforts to shore up the economy by psychology, and to meetings with foreign statesmen. The London Conference of July, 1931, and a World Economic Conference in June, 1933, attempted to deal with the problem. While these last measures were taking shape, Mr. Hoover, to check the downward course of credit, set up the Reconstruction Finance Corporation, to lend funds to railways, insurance companies, and industries through private banks. At the same time, Congress expanded the credit facilities of the Federal Farm Loan Banks and the Federal Reserve System, and established a new Federal Home Loan Banking system to finance home construction. The Reconstruction Finance Corporation lent money to the states for self-liquidating relief and public works projects, and earmarked a small portion of its funds for direct state relief to indigent workers. But these measures gave only slight relief. The people, who were disgusted and angry with an administration which did little and was apparently indifferent to their distress, voted for the Democratic candidate, Franklin D. Roosevelt, in the election of 1932.

American politics for the next five years was dominated by a series of hastily improvised experiments for promoting recovery without using rearmament as a stimulus and without establishing totalitarian controls over the economic system. At most points the New Deal also attempted to combine economic recovery with social reforms, with regard to which

the United States was in some ways behind the most advanced countries in Europe. In most cases, especially where it increased the purchasing power of the American worker, social reform was exactly what was most needed for recovery.

Like previous American reformers, Roosevelt added new bureaus to the existing governmental structure, until the federal executive branch was a maze of special agencies. Since the most immediate problem was the collapse of the country's credit structure, President Roosevelt had already continued and enlarged Hoover's program of lending government funds through banks and credit institutions. A Securities and Exchange Commission was set up to check future stock market speculation, and certain types of holding companies were broken up. To liquidate the private debt structure without bankruptcy, it was necessary to raise prices to the level at which the original debts had been contracted. To do this the New Deal adopted the debtor's traditional device of devaluating the currency, a measure which tied in with Secretary of State Hull's program of reciprocal trade treaties for expanding American exports. To stimulate domestic employment and purchasing power, the government "primed the pump" by spending billions of dollars for public works and housing projects which would not compete with private industry, and for the development of public power in such undeveloped areas as the Tennessee and Columbia river valleys. For the first time the federal government gave direct relief to its citizens (a major constitutional change), and provided a cushion for the future in a federal Social Security System.

Roosevelt's remedy for the chronic agricultural depression, beside the attempt to raise prices through currency devaluation, was the Agricultural Adjustment Act, a measure which provided bounties for limiting the production. Although the A. A. A. was voided by the Supreme Court (1936), the principle of crop control was incorporated into other measures. In the National Recovery Act, businessmen were encouraged to set standards and prices, in return for agreements to fix minimum wages and maximum hours and to bargain collectively with their workers.

Although the N. R. A. was declared unconstitutional in 1935, Labor's gains were salvaged by the Wagner Act (1935), which authorized industrial workers to form or join unions of their own choosing, and to elect bargaining representatives. A National Labor Relations Board was set up to enforce the act. Under the New Deal's protection, both the American Federation of Labor and the new Congress of Industrial Organizations made great progress, the latter in the previously unorganized mass-production industries. By 1945 there were from twelve

to fifteen million organized workers in the United States (compared with three million in 1929 and five million in 1920). All workers in interstate industries were protected by the wages and hours standards of the Fair Labor Standards Act of 1938. American unions entered politics more actively than ever before in this period. They did not attempt to establish a separate labor party on a national scale, but preferred to work within the framework of the traditional two-party system.

During the first year of the Roosevelt administration the political atmosphere was favorable for reform, because private industry was crying for help. As the depression lifted, however, and business began to feel stronger, opposition to state intervention in the economic system, hostility to social reform, and fear of the results of the administration's "unorthodox" policies, made much of the business world hostile to the administration. But this opposition was unable to shake Democratic control of either the House or the Senate. In 1936 Roosevelt was reelected by the greatest landslide in modern American history.

Immediately after the 1936 elections, the New Deal attempted to gain control of the Supreme Court by a bill to increase the number of justices. Though the bill failed to pass, the death or retirement of several justices enabled Roosevelt to name as their successors men who favored the New Deal. However, the bill to "pack" the court had, for the first time, seriously split the Democratic congressional majorities. The same year, 1937, saw a sharp business recession which was followed, in the elections of 1938, by a reduction of the Democratic majorities in Congress. From this time on, further New Deal reforms were consistently blocked by a coalition of Republicans and dissident Southern Democrats. But fundamental reforms of the New Deal remained. And the country had by 1938 reached a national income about equal to that of 1929, with a considerable redistribution in favor of the workers in the mass-production industries, who were enabled for the first time to organize economically and politically.

But as in Britain, the total of American production was to expand only through rearmament and war. In the earlier years of the New Deal, Roosevelt had been an economic nationalist who torpedoed the London Economic Conference. He had, however, instituted reciprocal trade agreements. The Democratic Congresses had been predominantly isolationist. Remembering the 1914-1917 munitions trade and the long dispute over neutral rights, Congress embargoed the sale of munitions to all belligerent governments and abandoned America's traditional insistence on the freedom of the seas. The Johnson Act prevented our late Allies from floating new loans in the United States, because of their default on the first set of war debts. But the steady

approach of war after 1937 forced Roosevelt to take action, and the executive branch of the government tried to arouse the people to the danger and to prepare for war. These actions were approved by the majority of Americans in 1940, when Roosevelt was elected to an unprecedented third term in office and the Democratic congressional majorities held firm.

In 1942, the Democratic congressional majorities were again reduced, but Roosevelt won one last wartime election, by the closest majority of his presidential career, in 1944. Two years later, Roosevelt's successor, Harry Truman, lost control of both houses of Congress. In that year, in spite of a record wave of strikes in the mass-production industries, the total value of the national product was about double that of 1929. American steel production, the handiest index of overall industrial strength, had risen from about fifty-five million tons to ninety million.

With respect to foreign trade, the United States was in much the same situation as in 1920. The world had no dollars to trade for American goods. But in 1947 the spread between exports and imports was greater than in 1920 (imports of about five billions in both years; exports, sixteen billions as opposed to eight). World purchases were still financed by American loans. United States economic policy was tied up with foreign policy, and a re-examination of both was underway.

XXVII

LATIN AMERICA

There are twenty different Latin-American states, with about 123 million people. All of them are primarily agricultural. In all of them a small, highly cultured group, with close ties with continental Europe, rules a poor and illiterate population. Political life is unstable, and characterized by dictatorships using the outward forms of democracy.

Like other economically undeveloped areas, Latin America was an important field for foreign investors, with the usual problems of investment in such an undeveloped area. Since the Monroe Doctrine forbade European armed intervention in Latin America, President Theodore Roosevelt assumed the burden of protecting all foreign investments. In this self-appointed mission (the Roosevelt Corollary to the Monroe Doctrine) the United States became very unpopular. Under Hoover, however, political relations began to improve, an improvement not unconnected with a search for foreign markets. The Roosevelt Corollary was repudiated. The good will generated by this repudia-

tion and by the Good Neighbor policy of the New Deal enabled Hull to include the Latin-American states in his reciprocal trade treaties, and to stand off a new threat of foreign aggression from Nazi Germany. As in the Balkans, the German system of economic penetration was ideal for dealing with small raw-materials producers, and German political penetration was reinforced by the examples of Mussolini and Franco. However, the United States was successful in Pan-Americanizing the Monroe Doctrine through a series of conferences of all the American states. She obtained bases in various Latin-American states, lent money to enable them to build up their industries, and armed them with Lend-Lease equipment.

XXVIII—XXIX

THE OUTBREAK OF THE SECOND WORLD WAR

Within a generation after the First World War, a second broke out. The League of Nations, without jurisdiction over the internal affairs of its members, was fatally injured by the fascist revolutions, which by 1933 had been successful in three of the seven major powers. Germany, Italy, and Japan began openly attacking the treaty system. The member states which had remained democratic—plagued by internal problems, conscious of their unpreparedness for war, their people hating the thought of battle—chose a policy of appeasing the aggressors rather than one of standing up against them, as the operation of the system of collective security would have required. Russian adherence to the League in 1935 gave it considerably greater strength and vitality for a time, but the British and French failure to work with the Russians in Spain and Czechoslovakia caused the Russians to doubt their sincerity. Though Russia was ideologically hostile to the capitalistic states, she was in desperate need of their assistance against Germany and Japan. The democracies, if they had only known it, were in equally desperate need of Russian help, but they fatally miscalculated the direction and force of fascist ambitions.

In 1931, Japan invaded Manchuria. The United States protested and the League of Nations condemned the aggression, but Japan ignored these protests and withdrew from the League. In 1933, Germany, which had just fallen into Hitler's power, also withdrew from the League. The next year Hitler unsuccessfully tried to take Austria, while Japan denounced the Washington naval-disarmament treaties. A clear-cut breach of collective security was made by Italy, when, in the autumn of 1935, she invaded Ethiopia. The imposition of sanctions by the League members was sufficient to drive Mussolini

out of the League, but ineffective in stopping his aggression. Earlier in 1935, Hitler had acquired the Saar by a plebiscite provided for in the Versailles Treaty. March 7, 1936, he remilitarized the Rhineland. Britain and France, for the various reasons of appeasement, weakly acceded to the actions of the fascist governments. France helped Mussolini legalize his African victories; Britain ratified German rearmament by signing a special naval treaty with Germany.

In 1936, Italy and Germany joined in supporting Franco's fascist revolution in Spain, and then entered into an alliance with each other. Only Russia actively supported the Spanish Republic. Russian aid, by raising the Communist bogey, increased the timidity of France and Britain. With American neutrality legislation preventing the sale of munitions to either side, the three democracies all followed the same policy of nonintervention. The Spanish government was thus unable to offset the aid furnished Franco by the Axis.

The next year, Germany and Japan signed the anti-Comintern pact against Russia, thus completing the Berlin-Rome-Tokyo Axis. Tokyo went into action again in 1937, after Chiang Kai-shek had united with the Communists to oppose further Japanese advances. Japan began an all-out attack to seize the ports, railways, and communications which were the backbone of the westernized nationalist Chinese republic. Within two years, the Chinese government had been driven far back into the western interior, where it was increasingly dependent on local warlords, the local landed proprietors, and such western supplies as could be brought in over the long Burma Road.

In 1938, Hitler annexed Austria and the German western rim of Czechoslovakia. Britain and France agreed to the latter aggression at a conference at Munich, to which France's ally, Russia, was not invited. During the first months of 1939, Hitler completed the occupation of Czechoslovakia and seized Memel, while Italy snatched Albania. Britain and France, reversing their policy of appeasement, now guaranteed the integrity of Poland, Rumania, and Turkey. But only the help of Russia would make any of these alliances effective. Anglo-Russian negotiations had proved fruitless. Russia signed a nonaggression pact with Germany in August, 1939, which removed the last barrier to a German attack on Poland and on the West.

XXX—XXXI

THE SECOND WORLD WAR

On September 1, Germany invaded Poland. England and France were unable to send any help, and Poland was overrun in four weeks.

Russia seized the territory which Poland had taken in 1920, and acquired bases in Latvia, Lithuania, and Esthonia. There followed Russian diplomatic demands on Turkey and Finland. Finland's refusal was followed by a Russian invasion and the ceding of various Finnish territories to the Soviet Union. As a result of this aggression, Russia was expelled from the League of Nations. The United States had by this time begun to abandon its policy of isolation by permitting the sale of munitions on a cash-and-carry basis.

In the spring of 1940, Germany struck in the West, overrunning Denmark, Norway, Belgium, Holland, and France. The fall of France was the signal for Italy's entrance into the war, followed by an Italian invasion of Greece and Egypt. Russia extended her protective cover against Germany by taking back Bessarabia from Rumania.

The United States began to build a two-ocean navy, a conscript army, and the world's greatest air force. American destroyers were exchanged for British air and naval bases in the Atlantic, and Congress passed the Lend-Lease Act for the direct transfer of war materials to any nation where security was vital to American defense. These steps culminated in the convoying of Allied shipping as far as Iceland by the United States navy; by October, 1941, the United States and Germany were engaged in an undeclared war in the Atlantic.

Japan's reaction to the fall of France and Holland was to penetrate Indo-China and to sign a formal alliance with Germany and Italy. The United States extended credits to China and embargoed oil and scrap-iron shipments to Japan (summer of 1941). These actions set the stage for war between Japan and the western powers.

In the West, in the summer of 1940, Great Britain stood alone, expecting momentarily the German invasion. Finally determined to fight, and now led by Churchill, the British not only sustained the blitz in 1940-1941—the Battle of Britain—but went on the offensive in the Mediterranean. They attacked the French fleet at Oran in July, to prevent its falling into German hands, and sponsored a Free French movement to use French ships in British ports and to save key naval bases in the French Empire. Churchill stripped England of troops and guns and sent them to preserve the Alexandria-Suez area from the Italians. The Italians had found themselves successfully resisted by the Greeks, in an adventure of which Hitler disapproved. Furthermore, at Taranto (November) and Cape Matapan (March), British carrier planes and gunfire had done for the Italian navy; and by the end of the spring the Italian Empire in East Africa had fallen to British troops. Thus ended Caesar's career as an independent con-

queror. Over the home island, Britain had defeated the German air force, which had been built for cooperation with the ground forces, rather than for strategic bombardment. She declined to surrender out of fright, and the Germans, as a matter of fact, had no practical plan for the invasion of England. Compounding this mistake with a fatal one, Hitler turned on the Russians (June, 1941).

In preparation for the attack on Russia, Germany gave Rumanian territory to Bulgaria and Hungary, then forced all three countries to join the Axis. The Yugoslav army and people revolted against collaboration with the Axis by their government; the reduction of Yugoslavia took a few weeks. Hitler also went to the rescue of the Italians in Greece. Only Britain sent the Greeks any aid. A three-week war in Greece ended with the German capture of Crete, the Italian recovery of Cyrenaica, and a barely defeated attempt of the Axis to infiltrate into Iraq and Syria. Throughout 1941, Germany stuck to the strategy of the blitzkrieg. There was no effort to raise German war potential. As a result, both British and Russian war production equalled that of Germany in 1941.

The Germans recognized that the Red military machine possessed formidable strength in its mass of men and equipment, the bravery of its soldiers, and the vast distances an invader would have to cover, but they felt that its leaders were poorly trained, mentally slow, and without great organizing ability. They totally missed the historical fact that revolutionary armies can create leaders in a remarkably short period of time. Though Russian steel production was known to be nearly equal to Germany's, and the scarcity of consumers' goods in Russia should have indicated that this steel was going into arms, the Germans were surprised by both the quality and quantity of Russian planes, tanks, and artillery.

In the first three months of the Russian campaign, the Germans' gains equaled their military triumphs in France. But, unlike the French, the Soviet generals were able to launch counterattacks, and to organize the peasants for guerrilla war and the industrial workers for house-to-house defense. The Soviet government, unlike the French, systematically wrecked industrial and transportation facilities to keep them from the Germans. When the German drive was stopped twenty-five miles short of Moscow by bad weather and Russian resistance, Hitler took personal command of a summer (1942) offensive toward the oil fields of the Caucasus. This offensive was stopped at Stalingrad in a battle (August to November, 1942) which cost more Russian lives than the United States lost during the entire war.

While the Germans were pushing their 1941 offensive into Russia, the United States was coming closer to war. Her navy was unofficially participating in the Battle of the Atlantic, and her president was trying to check Japan's threatened aggression in the East Indies. The open break might have occurred first in either theater, but it came in the Pacific when Japan acted to eliminate the possibility of any effective American interference with her conquest of the Southwest Pacific.

The day after a Russian counteroffensive began at Moscow, a Japanese carrier force attacked Pearl Harbor and sank or damaged all but one of the battleships of the United States Pacific fleet. Within the next seventy-two hours, the British Singapore fleet had been sunk, and Singapore itself was captured two months later. At the same time German and Italian submarine attacks sank or damaged all the British battleships and carriers in the eastern Mediterranean. By April, 1942, the Japanese had captured the whole colonial area of Southeast Asia, overwhelming the local defense forces in Burma, the East Indies, and the Philippines. In June, the Germans destroyed the British armored forces in North Africa and advanced to within seventy miles of Alexandria. To prevent the junction of this German force with the Japanese fleet in the Indian Ocean, the British western Mediterranean fleet was transferred to Madagascar, a move which opened most of western Africa to Spanish and German penetration.

Two Japanese naval offensives in the spring of 1942 were designed to cut the United States supply line to Australia and to cover the gap between Midway and the Aleutians. The first drive was stopped in the battle of the Coral Sea (May, 1942) and the second in the battle of Midway (June). In these two engagements, the Japanese suffered their first serious naval losses, about half of their original carrier force. Two months later, United States marines landed on Guadalcanal to forestall a renewal of the Japanese offensives in the Coral Sea area. This landing touched off a series of air and naval battles in which the total losses were considerably greater than those of Midway or Jutland.

The high tide of Axis fortune on every front occurred during the summer and fall of 1942. By the end of that year, the Axis had been checked at Stalingrad, El Alamein, Guadalcanal, and in New Guinea, and a new front had been opened by the Allies in French North Africa. About the same time, the first effective Partisan opposition arose in Yugoslavia, and civil war began between the Chetniks and the Partisans.

On January 1, 1942, the enemies of the Axis had formed a military alliance, and shortly thereafter, the British and the Americans had established a unified command in the Combined Chiefs of Staff. Thus the Second World War, in contrast with the First World War, was fought

under an over-all strategy from an early date. The basic strategic decision made in the spring of 1942 was to attack Germany, the most dangerous enemy, first, while fighting a hold war in the Pacific.

Before a land assault could be launched on the German-dominated continent of Europe, the Allied navies had to deliver the goods over seas infested with German submarines, and the Allied air forces had to paralyze Axis transportation and industry. In the course of the war the Allies lost 23,351,000 tons of merchant shipping, over twice the toll taken by the U-boats in the First World War, and more than the tonnage of the whole prewar British merchant marine. British and American yards built 42,585,000 net tons of ships to replace the losses, a total approximately equal to that of all prewar Allied merchant shipping. It was in 1943 that Allied shipping losses were covered for the first time by merchant ship construction, and German submarines began to be sunk as fast as they were built. Still, the submarine crews kept coming on; there were no major mutinies in this or any of the German armed services. Both in the tonnage of supplies handled and the distances involved in their transit, the Second World War presented logistics problems far greater than in any preceding conflict; for the invasion of the Continent, over two million American troops and 21,500,000 tons of cargo were shipped to the United Kingdom. In the summer of 1943, the Allies began the strategic bombing of Europe. Many German fighters had to be transferred from Russia to the West to meet the raids of the combined British and American air forces. The Germans could not retaliate in kind, for much of Germany's bomber force had been lost at Stalingrad.

The Allied offensives of 1943 were met by powerful Axis counterattacks and by a renewal of the German drive for Moscow in July. In this final German effort in Russia half the tanks in the German army were lost in ten days, and the Russians were able to undertake their first big summer offensive. When the German army in Tunisia was destroyed and Sicily conquered, Hitler decided on a fighting retreat north through Italy to the Po valley. The decision to permit the entire southern half of the peninsula to be devastated by war split the Italian Fascist party. The "respectable" generals, businessmen, and politicians, who, among others, had connived at Mussolini's rise to power, now tried to deliver him to the Allies, but failed.

Germany now tried to speed up production of matériel. German big business, under Albert Speer, began to get results. But the Speer program was too late. Germany could no longer plan systematically, but only opportunistically, as urgent military needs directed, now in tanks and guns, now in planes, now in new submarine devices, atomic

energy, or jet propulsion. The German General Staff took the field command from Hitler and undertook the hopeless task of defending "Fortress Europe," a fortress which was overextended, lacking in foodstuffs and raw materials, and full of active partisans of the invaders. In Russia, the German armies covered the longest battle front in European history—the Maginot and Siegfried lines together would not reach from Leningrad to Moscow. The Atlantic Wall on the coasts within fighter range of Britain was just as long. On both fronts the Germans faced superior numbers and equipment.

After Guadalcanal, the Japanese refused to risk their fleet and air forces for the defense of remote outposts, while a belated all-out war production effort in Japan tried to replace lost planes, carriers, and merchant shipping. For the first time in modern Japanese history, the army, the navy, and big business were forced to cooperate. By the end of 1943, the American two-ocean navy was ready with an approximate 6:3 superiority over the Japanese in the Pacific. The fleet was supported by a Pacific air force about three times as great as that of Japan. Japanese air and shipping losses in the defense of the Aleutians and the Solomons were far more serious than their loss of these territories, all of which were outside the original Japanese perimeter. By the end of 1943, American submarines had sunk over a third of the Japanese merchant fleet, and Japanese stock piles of iron ore, rice, and oil were dwindling. During the earliest stages of the American offensive of 1944, which started on Kwajalein at the end of January, the "Liberal" opponents of the original Pearl Harbor attack were convinced that the war was lost.

By this time, the Red army had recovered almost all of the territories of the Soviet Union as constituted in August, 1939. The German northern and central armies were split in two by the Pripet marshes, while the German southern armies were shoved into a potential trap south of the bend of the Dnieper river. In Italy, the Allies held Naples and the air base at Foggia, from which they extended bomber operations to south Germany and the Balkans, and were threatening Rome from Cassino and Anzio. American air strength in the European theater equaled that of Britain. Four fifths of the German air force and at least two million antiaircraft troops were employed in defending Germany. In the Southwest Pacific the Allies had neutralized Rabaul and had begun to advance along the northern coast of New Guinea. British and Chinese troops advanced in North Burma, clearing the way for a new road into the interior of China.

In 1944 and 1945, Allied offensives took on the same pattern as that of the original Axis victories—the blitzkrieg. The Germans and

Japanese were reduced to the fanatical defense of a series of fixed positions: railway and road junctions, river crossings, cities, mountain passes, ports, and islands. In Europe, the main front was still on the east. At least two thirds of the German army was always deployed against the Russians. However, Anglo-American sea, land, and air power on the west tipped the balance toward Allied victory.

Allied sea power delivered the supplies. Allied air power struck at the sources of Germany's ability to wage war, gave direct support to ground operations, and prevented enemy re-enforcements from reaching the scene of battle. The Allied air forces won the command of the air over Germany in late February, 1944 (in the same week that the United States navy captured Eniwetok and drove the Japanese fleet from its base at Truk). By D-Day in Normandy, the German fighter command in France had only 80 planes available, and transportation was so disrupted that German divisions north of the Seine were as far from the beachhead in point of time as they would have been if located in Berlin or Milan under normal conditions. After the Normandy landings, the Allies destroyed the German petroleum industry and made the revival of a conventional air force impossible. The Germans had to pin their hopes on a small force of jet planes, manned by their remaining experienced pilots, and powered by low-grade fuel. On the eastern front, on one occasion, 1,200 tanks ran out of gasoline and were captured. Later bombings wrecked the chemical industry (the artillery had to fire shells filled with 70 per cent rock salt) and transportation within Germany. Over 25 million Germans were bombed out. Their suffering undermined production and the will to fight.

The United States Navy in the meantime drove right across the Pacific, by-passing the Japanese conquests in Southeast Asia, destroying the Japanese navy at the battles of the Philippine Sea and Leyte Gulf, and bringing the Japanese homeland under direct air attack. By the time of the Battle for Leyte Gulf (October 25, 1944), the Red army had knocked Bulgaria, Finland, and Rumania out of the war and had advanced to Warsaw, Budapest, and Belgrade. In Italy the Allies had reached the defenses of the Po valley. France and Belgium had been liberated to the Maginot and Siegfried lines. The Battle of Germany was about to begin. A month later, American superfortresses from the Marianas bombed Tokyo, and the Germans and Japanese carried out their last counterattacks, to relieve Budapest, in the Ardennes, and to capture American air bases in China. By the end of March, 1945, the Russians had reached the Oder river and had captured the Silesian industrial area. The Western Allies had crossed the Rhine and encircled

the Ruhr, and had landed on Okinawa. The Japanese cabinet was discussing ways out of the war.

Germany surrendered on May 8, 1945. About the same time the Japanese ambassador in Moscow began negotiations for Russian intervention to end the war. The Japanese war economy was bankrupt. Though there were some military stocks, such items as tanks and heavy artillery were lacking. Famine was predicted for the summer of 1946, and a third of Japan's urban population was bombed out. Under these circumstances, Japan was without means for prolonged resistance to invasion, and disintegration of the entire economy was inevitable. Her peace feelers were brought to a rapid fruition by the loss of Okinawa, a series of incendiary raids on Japanese cities, American naval attacks on the home islands, Russia's entrance into the war, and the dropping of the first atomic bombs.

XXXII

THE BASES OF THE PEACE SETTLEMENTS

The bases for the peace had been laid during the war in a series of Allied conferences. Even before America's entrance into the war, Roosevelt and Churchill drew up a "declaration of principles" (The Atlantic Charter, August, 1941), to which all men unwilling to compromise with Nazism could subscribe. The "Arcadia" Conference between the two at Washington, Christmas, 1941, had resulted in the Combined Chiefs of Staffs and in the United Nations. This was followed in January, 1943, by a meeting at Casablanca which united the rival French factions in North Africa and defined the Allied objective as "unconditional surrender." At Moscow (October, 1943), the Soviet Union participated for the first time. Stalin, Roosevelt, and Churchill agreed to restore Austrian independence and to base their treatment of Italy on "the fundamental principle that Fascism shall be utterly destroyed." A democratic bill of rights was to be adopted, all fascist institutions suppressed, fascist personnel removed from office, and war criminals handed over to justice. At the same time, the Big Three joined with China in agreeing to establish a "general international organization, based on the principle of the sovereign equality of all peace-loving states . . . for the maintenance of international peace and security." German war criminals whose offenses were not confined to a single foreign country were to be punished by a joint tribunal; all others were to be remanded to the country where their crimes had been committed.

The next month (November, 1943) at the Cairo Conference, China,

Britain, and the United States laid down specific terms for the Pacific. Japan was to be stripped of all the Pacific islands she had occupied since 1914, and of all territory she had "stolen from the Chinese since 1894." Korea was "in due course to become free and independent." At Teheran (December, 1943) the Allies reaffirmed the "independence, sovereignty, and territorial integrity of Iran" and reached complete agreement on the forthcoming operations against Germany.

The most detailed blueprints for the peace were produced immediately before (Yalta, February, 1945) and immediately after (Postdam, July, 1945) the German collapse. In preparation for the San Francisco conference of the United Nations, the Yalta Conference defined the voting procedure in the Security Council, and agreed that the Ukraine and White Russia should be admitted as original members. United Nations trusteeships, it was decided at Yalta, would apply to existing League mandates, to territories detached from the enemy, and such other territories as were voluntarily placed under trusteeship. The Big Three pledged themselves to restore "sovereign rights and self-government" to the conquered and satellite Axis governments, and to help them "establish internal peace," carry out emergency relief, and "form interim governmental authorities broadly representative of all democratic elements in the population and pledged to the earliest possible establishment through free elections of Governments responsive to the will of the people." Germany was to be disarmed, demilitarized, and dismembered to the extent necessary for future security, and was to "pay in kind for the losses caused by her to the Allied nations in the course of the war." The first reparations were to go to "those countries which have borne the main burden of the war, have suffered the heaviest losses and have organized victory over the enemy." Reparations were to be in the form of (a) equipment, machine tools, etc., for the purpose of destroying Germany's war potential; (b) "annual deliveries of goods from current production"; and (c) "use of German labor." Polish democratic leaders from within Poland and from abroad were to be included in the Polish Provisional Government, and the Tito-Subasich agreement uniting the two Yugoslav governments was to be put into effect. The new Polish frontier should follow the Curzon line, with "substantial accessions of territory in the north and west." Russia agreed to declare war on Japan "in two or three months after Germany had surrendered." In return, the Mongolian Peoples Republic was to be preserved, and all Russian rights (southern Sakhalin, Dairen, Port Arthur, the Chinese Eastern and South Manchurian railways) taken by Japan since 1905, were to be restored. In addition, Russia was to get the Kuril Islands.

The Potsdam agreement contained the terms for "the complete disarmament and demilitarization of Germany and the elimination or control of all German industry that could be used for military purposes." The German people were to be "convinced that they have suffered a total military defeat and that they cannot escape responsibility for what they have brought upon themselves." Nazis in public office would be replaced by Germans whose "political and moral qualities might aid them in developing genuine democratic institutions in Germany." The German educational and legal systems were to be reorganized, German administration decentralized, and freedom of speech, press, and religion, and the formation of free trade unions guaranteed. "Primary emphasis" was to be given to the development of "agriculture and peaceful domestic industry." The German standard of living was not to exceed that of other European countries (excluding Britain and the U.S.S.R.). Pending the final terms, Königsberg was transferred to the U.S.S.R., and the area east of Stettin, the Oder, and the western Neisse was placed under Polish administration. Germans remaining in Poland, Czechoslovakia, and Hungary were to be transferred to Germany.

Eighteen months after Potsdam, after four meetings of the foreign ministers, another Moscow Big Three meeting, and a twenty-one nation peace conference at Paris, the first five peace treaties were signed. Italy was to pay 360 million dollars, and Rumania, Hungary, and Finland, 300 million each. Italy ceded the Dodecanese to Greece, and the rest of the Italian colonies were to be placed under trusteeship. Yugoslavia acquired part of Istria and the former Austro-Hungarian naval base at Pola; Trieste was put under international control. Hungary and Bulgaria were reduced to their 1919 borders, and Russia's 1940-1941 gains from Rumania and Finland were confirmed. Russia also gained the Finnish Arctic province of Petsamo, and an additional naval base site on the Baltic. The navies of the Western Allies were left supreme in the Mediterranean; the Russian army was supreme east of the Stettin-Trieste line. As in 1919, these treaties have largely ratified the *status quo* as it existed at the end of military operations.

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